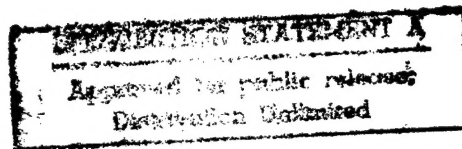


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2 June 1982

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No. 1973

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CGIL'S MARIANETTI INTERVIEWED ON ECONOMIC DISPUTE

Rome L'UNITA in Italian 30 Apr 82 p 7

[Interview of Agostino Marianetti, assistant secretary general of the CGIL [Italian General Confederation of Labor], by Stefano Cingolani, of L'UNITA; date and place not given: "Marianetti: Why We Are At Loggerheads With the Government and the Confindustria [General Confederation of Italian Industry]

[Text] A talk with the assistant secretary general of the CGIL.

The labor union, too, must weigh the political examination that is to start after the DC [Christian Democratic Party] congress. The subject of the confrontation. General strike for contracts.

Record unemployment, a big attack against the labor union in factories, pre-occupying signs of division among the workers, themselves. The labor union movement should deal a swift blow; instead it appears blocked. Contracts are at a standstill; the controversy with the government is bogged down. What can be done to end this dilemma?

Agostino Marianetti, assistant secretary general of the CGIL, has some proposals: a) it is necessary to stimulate a general strike of the categories concerned against the Confindustria in order to start contractual negotiations; b) with respect to the government, the labor union must be an explicit promoter of a turning point in the economic policy, by offering specific demands (a public investment package in basic sectors); c) and the labor union movement cannot, and must not, be cut off from the political examination that will start after the Christian Democratic Congress; on the contrary, it must move to see that the examination pertains to qualified subjects and that it will lead to a more suitable outcome in the matter of political balances."

[Question] Does not this step on the part of the labor union risk being a political constraint? According to Marianetti, to understand this one must carefully examine the developments of the relationship with the government.

[Answer] "There was a first stage, at the end of which we drew up a balance sheet. The general lines of the policy in defense of workers' income was acceptable; also liquidations and pensions. Even though there was not complete agreement on some positions, a relationship that we consider constructive was developed with the government, which resulted in a positive contribution from the

PCI [Italian Communist Party] in the parliamentary session. But we were very critical of the overall economic policy balance, especially with regard to employment."

[Question] Do you really think the forthcoming meetings can change the restrictive line of the economic policy?

[Answer] "I believe it would be of no use, least of all to the labor union, to go to these meetings as if to perform a rite and to infer that there is nothing more to be done. Instead, we must confront the next stage in very specific terms. We must find a core of measures to be implemented soon: in particular, a public investment maneuver in behalf of the revival, so that in the second half of the year there will be a definite reversal of the economic cycle. In the government, itself, there are ministers like La Malfa or De Michelis who believe that in this stage support for production and employment must come from state investment policies."

[Question] Yes, but these general lines have remained on paper up to now. How do you think they can be put into practice?

[Answer] "It is a question of making investment resources available to the big public agencies that operate in strategic employment sectors (for example, telephone, energy, transportation) and the building industry, so that this will constitute a real shuttlecock for the revival of the economy and employment."

[Question] Where would these resources come from? From the state budget? Then, the public debt ceiling is to cave in?

[Answer] "This economic policy operation, which results in an immediate productive relapse, can also make possible a revision of the budget policy and of the limits of the deficit, within the framework of precise restraints in the matter of fiscal pressure, tariffs, and social expenditures. On the other hand, we see that some conditions are changing; for example, there is less inflationary pressure from abroad; the dynamics of internal prices are slackening; in short, it seems that there are some new elements that can be utilized."

[Question] But there are negative facts, too, according to some ministers. The barrier of the 50 billion seems to have been overcome: in that case the maneuver that you propose would already be impossible.

[Answer] "If the figures that have been made known are correct, then Andreatta and the government must answer for them (all the more so since only recently the rest of the financial law was approved, including the ceiling); no one believes that public spending increases because of divine will and that the treasury minister has nothing to do with it. Or else we find ourselves once again confronted with public debt maneuvers and instrumentations. But what is even more serious is that there would be two consequences from this: another discussion of fiscal withdrawal, tariff policy, and social taxes, violating the commitments that we have made; and, in the second place, the nullification in advance of our proposal for economic revival."

[Question] So, the confrontation with the government is a blind alley?

[Answer] I believe that a summary political judgment should be made of how things have gone. I of course know that the labor union must always turn to collective and institutional interlocutors--thus, in this case, to the government as a whole. But it would be a flight from reality not to enter into the merits of the present political debate, from which we cannot alienate ourselves. I truly do not believe that I am exaggerating if I say that, during our entire confrontation with the government, this situation was pointed out. Some sectors, from the president of the council to the socialists, clearly showed their interest in a relationship with the labor union, even if not always in satisfactory or identical terms; another group always declared its opposition and tried to go in a different direction from the one that could have led to an understanding with us."

There Is Need of a 'Dual Examination'

[Question] Is this second group the DC?

[Answer] "Ministers Andreatta and Marcora have been consistent in their arguments. As for the DC as a whole, it must be noted that secretary Piccoli has attacked Formica's hypotheses on the fiscal "drag"; strong criticisms have also been made of the plan to raise one of the many veils that cover banking secrecy. The papers are full of the differences between Andreatta and De Michelis or between Andreatta and La Malfa. Minister Marcora (who now seems to talk only at meetings of industrialists) has resumed his criticism of the fiscal policy negotiated with the labor union). These are all irrefutable facts."

[Question] In your opinion is there now an overall DC line that will cause trouble for a part of the government and the labor unions?

[Answer] "Not only that: the Confindustria is agitating against the labor union and against certain policies of the government, those that are closest to our demands. We cannot ignore this fact of the situation."

[Question] You outline this type of lineup: on one side, the DC and the Confindustria; on the other, the PSI [Italian Socialist Party] and the PRI [Italian Republican Party], closer to the labor movement. Do you not think that such a judgment can cause a division in party thinking? Would there not be a re-proposal thus of that drop in autonomy that already occurred on the occasion of the general strike last March?

[Answer] "I wish to specify that what I supported on that occasion was not due to my party positions. I did not take party orders, nor did I give orders to anyone. Some divisive spectres were evoked by the socialist labor union, but they were completely unfounded. There have always been discussions concerning a general strike, and fortunately so, because in any case it is not a question of decisions to be taken lightly."

[Question] Returning to the present stage, you believe that the labor union must be included in the political examination that will take place after the congress. To say what?

[Answer] "I think that a dual examination should be made: with the labor union and the parties, which in turn cannot leave the labor movement out of consideration. The political confrontation cannot be carried out only on the important plane of the balances between the parties. The substance, the economic-social problems, the relationship with the labor union, in other terms the start of a reform process, no longer postponable, that has to do with the economy, institutions, the state--this must be the basic subject of the examination.

[Question] But to open what political prospect?

[Answer] "The Spadolini government emerged when there was a stormy horizon and a limited program that does not cover a complete legislature. It is now a question of redefining a more comprehensive program around which to open the confrontation among the parties: it is not possible for the coalitions to survive their programs. In short, it is necessary to reply to two questions: how can today's differences be solved and how can some basic programmatic elements be developed that will raise the tone of the government's substance with respect to the low profile of this most recent period? This can again set the political situation in motion, on the basis also of the new resources that may emerge once the ground and the substance of the programmatic action are correctly specified. Otherwise we will fall into the perverse logic, according to which there would probably be immutable political balances within which programmatic action would be limited. Instead, I believe that it is necessary to begin with the indispensable programs and that they should be the basis for the quest of the necessary political balances."

[Question] Up to what point should this examination be pushed? Early elections?

[Answer] If possible, the elections must be avoided, but I believe that this risk must not be used in order to petrify a precarious and blocked situation like the present one. Political elections must be avoided, but to the extent possible necessary changes and shifts must be realized."

[Question] Which new political balances can be attained, only the presidency of the council to Craxi?

[Answer] "Naturally I have my own opinions concerning the development of a political administration. I think that there should be a broad reformer array, with leftist forces as the basic nucleus. In the meantime a search should be started for a convergence with regard to the substance of the reformer process, beginning with the newest things in this most recent stage which, in the matter of principles, has seen a shift in PCI relations with the USSR; and, on the political plane, the economic policy proposals of the PCI and the socialist elaboration of Rimini. But, for now I note the existing signals: a disposition

on the part of the PCI to constructively consider the possibility of a new government; an attempt on the part of lay forces to give a signal, even through a socialist leadership of the government; the eventuality that this present government will redefine its program and structure. They are all possibilities that could activate the political picture again."

[Question] And how do you think that the relations with Confindustria that have been cut off can be restored?

[Answer] The Confindustria, too, at least in its official summits, engages in politics; even though it causes strong contradictions, like the breaking away of some of its greatest exponents. The Confindustria attacks not only us, refusing to discuss contractual platforms, but also attacks the government whenever it shows an opening toward the labor union (this is the case with the contractual renewals for public employment). We never thought that the contracts would have to be discussed again after the vacation period. And at this point the patience that we have shown up to now is giving out. This is why I believe that the moment has come to organize a general fight by all categories of industry and agriculture with the objective of opening negotiations at their natural levels, that is, without any comprehensive negotiation."

8255

CSO: 3104/201

SOVIET VICE-FOREIGN TRADE MINISTER: TRADE GAP WILL CLOSE

Helsinki HUFVUDSTADSBLADET in Swedish 30 Apr 82 p 14

[Text] It will be possible to keep the surplus in Finland's trade with the Soviet Union at its current level at least through the end of this year. The balance, which is currently in our favor by a good 3 billion marks, will not be reduced by any drastic cutbacks. Instead, the partners are now endeavoring to balance their trade over a period of several years.

That became clear following this week's talks in Helsinki between a Soviet delegation headed by the Soviet Union's vice minister of foreign trade, A. N. Manshulo, and its Finnish hosts, whose delegation was headed by Under Secretary of State Ake Wihtol.

Vice Minister of Foreign Trade A.N. Manshulo and his delegation left Helsinki yesterday without any really specific results from the talks in their luggage.

Under Secretary of State Ake Wihtol emphasized that the week's discussions between the two delegations had received publicity that was altogether out of proportion.

In response to persistent questions as to the specific results of the discussions, Wihtol said: "When you get right down to it, it was merely a question of everyday trade policy."

According to Wihtol, the parties are now endeavoring to reduce Finland's trade surplus with the Soviet Union over a period of at least 2 years. What that means in practice is increased imports from the Soviet Union--but he declined to comment on what those imports would consist of.

All questions on that subject were dismissed with the statement that the possibilities remain to be studied, that everything is still an open question, and that the week's discussions had covered areas that had already been under discussion, among them chemical and metal products.

It seems probable that energy imports at least will be increased. They already account for between 80 and 90 percent of Finland's imports from the Soviet Union, and Wihtol did not deny that there would be opportunities for increasing fuel imports as a way of balancing trade.

Wihtol admitted that one question discussed by the delegations had been that of increasing our country's safety stocks of petroleum, but he emphasized at the same time that no quantities have yet been mentioned in the talks.

The Finnish negotiators did not want to describe the talks between the delegations as negotiations. They emphasized several times that the talks occurring up to this point are viewed expressly as discussions.

Wihtol pointed out that the discussions between the Soviet and Finnish delegations have been useful even if they have not yet led to any specific proposals for action.

He emphasized: "The discussions will continue as early as next week."

The thing that was feared earlier--drastic cuts in Finland's exports to the Soviet Union--will not have to be resorted to. The parties have agreed that trade will be balanced over the long term--over a period of several years.

The current surplus of just over 3 billion marks will be kept at the same level at least through the end of 1982, but according to Wihtol, no new orders from the Soviet side are under discussion at the moment. He says the effort will be almost a success if the balance can be kept at its present level and prevented from increasing further.

Both trading partners feel that the talk about Finland's surplus is exaggerated. The problem is acknowledged to be a reality, but on the other hand, it is emphasized that the parties are working together to find a solution.

One practical consequence of the surplus is that certain Finnish projects in the Soviet Union have already been postponed. At the same time, attempts have been made to balance trade by finding new products that can be imported by our country.

Wihtol said: "We have also discussed the possibility of increasing the current credit ceiling on trade by 50 million rubles to 250 or 300 million rubles." He said that the credit ceiling can easily be raised, since the flow of trade between our two countries already totals 30 billion marks per day.

11798

CSO: 3109/153

BRIEFS

TEXTILE EXPORTS TO USSR DECLINE--(FNB)--The value of Finland's exports of textiles and clothing to the Soviet Union will decline by 300 million marks this year, and the result will be the loss of 2,500 jobs in that industry, according to an announcement in Tampere on Thursday by managing director Reijo Selin, chairman of the board of the Textile Delegation. The textile industry is trying to make up for the drop in exports to the East with increased sales within the country and in Western markets. The opportunities are limited, however, since domestic demand is expected to rise by only 1 percent this year, and consumption in the most important Western countries is expected to stand still or increase only slightly. On Thursday the Textile Delegation expressed its dissatisfaction with the government's economic policy. The delegation feels that the government's measures are inadequate, and it points out that governments in other countries subsidize their textile industries for reasons of regional policy and to sustain employment. The Textile Delegation feels that to avoid abrupt changes in employment, the textile industry should be allowed to exceed the quotas for this year's exports to the Soviet Union. [Text] [Helsinki HUFVUDSTADSBLADET in Swedish 30 Apr 82 p 14] 11798

CSO: 3109/153

GOVERNMENT DRIVE SET TO ATTRACT WORKER REMITTANCES

Istanbul HURRIYET in Turkish 26 Mar 82 p 15

[Text] Ankara--According to a report prepared by the Specialized Commissions of the National Security Council on providing investment fields for Turkish workers abroad, worker savings will be channeled into planned investments under the broad and permanent support of the government.

The report states that although Turkish workers abroad have accumulated large amounts of savings, their funds have largely gone into dead investments in Turkey such as houses, farmland and building lots because of the absence of a proper investment management system. The report adds that steps must be taken to attract Turkish workers' savings abroad--currently estimated at around DM15 billion--to industrial investments in Turkey in a planned manner.

The report also provides information about the number of Turkish workers abroad, their investment habits, their savings, the annual rate of accumulation of those savings, the manner in which those savings are used, the number of worker-owned companies [in Turkey] and problems faced by these companies. The reports says that 90 percent of the companies set up in Turkey by workers abroad will not be able to survive unless help is provided to solve their problems.

Studies and research on worker-owned companies in Turkey reveal the following problems:

- Mistakes made before and after investment involving the location of the company, its infrastructure, raw materials, feasibility, planning, technology selection, domestic and foreign financing and marketing.
- The absence of a public institution which can be consulted on investment matters; overlegislation and a sluggish bureaucracy.
- Very high and discouraging initial set-up costs.
- The heavy financial cost produced by currency exchange differentials which effectively reduce the available capital.
- Shortage of operating funds.

Within the framework of the problems outlined above, the report says:

"In view of these points, any new arrangement on this issue must address the problems of Turkish workers abroad on a long-term and permanent basis and as a single integral issue. It is also necessary to establish an effective, simple and functional system which will not neglect the policies of the countries accepting guest workers and which will be based on conscious policies that will primarily emphasize the economic aspects of the issue and will be in the interests of the country."

Noting that at present there are 262 worker-owned companies with 330,000 partners, the report says:

"Of the partners in the companies, 140,000 are Turkish workers abroad and 190,000 are citizens residing in Turkey. Of these companies, 156 have invested 15.7 billion Turkish liras in the industrial field thus creating 23,000 jobs. There are also 106 companies which are in the investment and planning stage. The total investment of these companies is expected to be 13.1 billion Turkish liras and they are expected to create 13,000 jobs. Sixty percent of these worker-owned companies have been set up in provinces and districts which are industrially underdeveloped.

"Worker-owned companies, which are attempting to establish themselves in areas where neither the government nor the private sector has made any industrial investments, currently need the urgent support and assistance of the state. Ninety percent of these companies are not expected to survive unless help is provided to solve their problems."

DM15 Billion Undecided

The report estimates the annual savings of Turkish workers abroad at around DM8 billion and says that most of the workers definitely want to return to Turkey after their savings reach a certain level or after they retire. The report adds:

"It is believed that the difference between the total estimated accumulated savings of our workers abroad and the actual amount of foreign currency that reached the Treasury was, up to the 12 September 1980 operation, bought by black marketeers for the financing of all types of smuggling activities or stored in foreign countries. In other words, it appears that around DM8.7 billion entered this country through illegal channels. According to studies and information received the amount stored in foreign countries currently stands around DM13 billion to DM15 billion.

"These funds are kept abroad because after investing in issues like houses, building lots and farmland, for the past 5 to 6 years our workers have had no clear idea--because of economic and social reasons--about where to invest the rest of their savings."

9588

CSO: 4654/258

KETENCI PLEADS FOR WORKER JOB SECURITY

Istanbul CUMHURİYET in Turkish 25 Mar 82 p 6

[Article by Sukran Ketenci: "Job Security"]

[Text] The job contracts of two workers named Husnu Yahsi and Ismail Rollas were terminated on 20 November 1980 under article 17/2 of the Labor Law (the workers being shown guilty). Based on the powers granted them by law, they appealed by written petition to the Istanbul Regional Labor Directorate and the Istanbul Martial Law Command. They explained that they were fired unjustly and requested reversal of the ruling. Their situations were investigated, the workers were found in the right and the Martial Law decision for "rehiring and restoration of lost rights" was forwarded to the employer in a letter dated 18 December 1980.

However, when the workers appeared at the job with the "return to work" ruling, they were not allowed in the factory. They again appealed to the appropriate places by written petitions. The Martial Law Command's letter of 17 April 1981 stressed that "restoration of lost rights and starting to work is necessary." The Istanbul Regional Labor Directorate also sent a letter to the employer, based on the Martial Law letter of 17 April, requiring that the workers be put on the job. Still the workers were not put on the job. Again they filed petitions at the appropriate places.

Then on 11 December 1981, suit was brought in Martial Law Court No 1 against the employer for "opposing the Martial Law ban." The workers filed many more petitions at the appropriate places. The date of their last petition to the Istanbul Regional Labor Directorate in relation to their failure to be returned to work was 12 January 1982. There has been no response from the Region, however, since the one in May of last year.

It has been 16 months since the expulsion of workers Husnu Yahsi and Ismail Rollas which resulted in investigation by "the highest authorities" and was found to be "unjust and their return to work necessary." The two workers are still waiting to exercise their legal rights and return to the job. Which of us who have never experienced it can know what it means to be out of work, with no pay, for 16 months?

This is why most who have similar experiences are unable to wait it out and give up, even when they are in the right. They usually say "Yes" to an employer's proposal channeled through the Regional Labor Directorate stating, "I will not give their jobs back but will pay them compensation." Although the highest authorities find them in the right, they accept the loss of their jobs.

Thousands who have ended up in this position found it useless to go as far as the "highest authorities" and accepted the employer's "compensated discharge" proposal at the workplace. Thus, despite the ban on discharging workers under article 13, article 13 is being widely applied in practice. Workers have also been fired while on [sick] leave, citing economic hardship.

It is not impossible to examine the pre-12 September payrolls and records of the workplaces and find out how many workers have been laid off since. Such a study would show that this matter is not being exaggerated. While these are the facts, however, why is there talk at every opportunity of the "lay-off ban" and gradually intensifying pressure to lift it?

Yet, what is being applied is not a "lay-off ban," but a "ban on laying off innocent workers without cause." Has the limitation, which exists in all democratic countries, on employers who for years have been used to laying off as many workers as they wanted, whenever they wanted--the "protection of the worker's right to work"--become too hard?

Although, over time, there has been a tremendous drop in workers' real wages, while the impact of worker expenditures on costs has steadily diminished, there is a will to "be free in worker lay-offs," and one cannot underestimate the underlying impact in this of the stocks on hand in the factories and the need to operate far below capacity.

Over time, the worker has lost a great deal more than his working conditions, purchasing power and standard of living. The only thing he has left to lose is his job. If the discharge of workers takes the form the employers are inclined to give it, the worker will have nothing left to lose. Now, when work is under way to revise the relevant articles of the Labor Law, it is imperative for social peace that the drafters of the law be aware of this and take a cue from the Western democracies, at least where job security is concerned.

8349

CSO: 4654/260

DENIZLI PLANS ITS ECONOMIC FUTURE

Istanbul DUNYA in Turkish 25 Mar 82 p 4

[Text] Izmir (DUNYA) -- Denizli, the most rapidly developing and industrializing city in the Aegean next to Izmir, is in the midst of drawing its place in the national economy in bold lines. The first part of this effort is the establishment of an Organized Industrial Zone with a capacity of 134 businesses. Next will come the establishment of a Customs Directorate and initiatives by the State Railways organization.

The first steps in Denizli's industrialization are said to have been taken in the 1950's. This is how this city's development of yesterday and today and its projects for tomorrow are described by M. Feridun Alpat, president of the Denizli Chamber of Industry, and Can Baser, its general secretary:

"The people of Denizli earned their livings between 1930 and 1940 from agriculture, by virtue of the area's geography, from handicrafts and what we may call primitive weaving and animal skin industries. Despite their demonstrated desire for rapid business expansion between 1940 and 1950, for growth and progress, they were unable to get any definitive results under the circumstances in which World War II indirectly involved them. After 1950, the push began for growth, progress and industrialization which we in Denizli believed in and cherished, as did other areas of Turkey. This impetus grew after 1960 and reached its greatest dimensions between 1970 and 1980. Thus our Denizli, in which there was no state-run facility or establishment in which the state had a hand or participated except one Sumer Bank factory (14,000 spindles built in 1934), has proved today that it is an industrial city, manufacturing and exporting more than 40 industrial products."

Denizli, with an urban population of approximately 150,000 and a provincial population in excess of 600,000 and taking its place among the top 10 provinces by every statistic in the rulebook, contributes to the national economy today in everything from pencils to television sets, from screws to automobile headlights, from all kinds of enamelware to bottles and glassware, from its products exceeding the potential of the Karabukimn-steel plant to the cable and plastic products exported to Europe, the rugs, flat-weaves, tourist items and antiques, the textile industry and the fresh water fish. Alpat and Baser describe Denizli's contribution as follows:

"The total investments of our chamber's 410 registered industries is almost 100 billion [liras] according to the 1981 figures. Looking at the personnel charts of the seven occupational groups, there are 1,141 managers, 102 engineers, 185 section chiefs, 900 foremen, 9,148 skilled workers and, in sum, more than 22,000 insured personnel. Denizli's exports exceeded 1 billion liras in 1981 and 3 billion liras' worth are scheduled for 1982. We hope to accomplish this. The taxes paid by Denizli's industrialists and businessmen rose steadily between 1976 and 1981. Corporation taxes paid in the city in 1976 were 22 million liras. This rose to 890 million liras in 1980 and exceeded 1 billion liras in 1981. This does not include worker premiums, insurance and other taxes."

Pointing out that a site has been procured for the Organized Industrial Zone, which has been in the works since 1974, the task of obtaining land titles has begun and the zoning plan is being worked out, Feridun Alpat and Can Baser said, "The Organized Industrial Zone, which will have 134 businesses, will expand industrially in the future. Preparations have been completed for the industrial complex which will be the third in our province since 1974 and will provide more than 2,000 job opportunities."

Alpat and Baser pointed out that Denizli, lying 250 kilometers from Izmir, 450 from Ankara and 750 from Istanbul, needs an airport to enhance its industry and tourism and also that the customs directorate that was removed some time ago should be reestablished. They complained that the State Railways could not answer such needs as railway cars and customs clearance. "Knowing Denizli's contribution to the national economy, we look to the future with determination and hope," they said.

8349

CSO: 4654/260

KOY-KOOP FACES LIQUIDATION FOR INSOLVENCY

Istanbul TERCUMAN in Turkish 15 Mar 82 pp 1,13

[Article by Dogan Sumer]

[Text] Ankara--A decision has been made to begin court proceedings to liquidate KOY-KOOP [Union of Cooperatives for Village Development and Other Agricultural Goals] as its property and outstanding accounts are insufficient to cover its debts, which exceed 1 billion liras.

In the meantime, because KOY-KOOP is unable to pay the 486 million liras it owes the Universal Company in Romania for the tractors it imported in 1978, all its goods have been placed under order of distraint at the written command of the Ministry of Foreign Affairs. Furthermore, the Agriculture Bank, unable to recover the 225 million liras loaned in 1979, has taken action to seize the KOY-KOOP's general headquarters building in the Maltepe district of Ankara.

A report prepared at the conclusion of investigations made by Ministry of Village Affairs and Cooperatives inspectors and, previously, by the Central Union Investigatory Council has been turned over to the Ankara attorney general. The Ministry of Village Affairs has also sent a notice to the Ministry of Finance and requested that a court case be initiated to liquidate KOY-KOOP, which owes more than a billion liras.

Charges

The report presented to the attorney general calls for the prosecution of administrative council members and responsible personnel who are considered to have acted improperly in all purchases and sales of KOY-KOOP. The report also asserts that those who caused KOY-KOOP to lose millions of liras when exporting goods to various countries committed the crimes of abuse of their positions and of falsifying documents. A secret memo in the form of a report of the irregularities that bear the quality of crime was forwarded to the Ankara attorney general. It requested that this case be combined with the civil suit taken before Ankara Inquiry Judge No 2.

Alleged Crimes

1. KOY-KOOP suffered a 4,119,247-lira loss when \$110,000 was not collected when exporting packing boxes to Iran.

2. Officials committed the crimes of abuse of their positions and authority under TCK [Turkish Penal Code] Articles 230, 240, and 510 in the exportation of lentils to Iraq.

3. KOY-KOOP suffered a 3,958,468-lira loss in the exportation of fresh fruits and vegetables to Abu Dhabi.

4. KOY-KOOP administrators committed the crimes of misusing their positions, authority, and surety in the exportation of chickpeas to Holland, resulting in a 24,651,000-lira loss.

5. In the purchase and sale of agricultural products within the country:

KOY-KOOP suffered a total loss of 11,108,306 liras from trade in cotton, TARIS [Agricultural Workers Union] products, garlic, potatoes, onions, olive oil, and corn.

Penalties

The examination report sent to the attorney general gives this information on the crimes committed by the administrators who are included in the indictment and who are to be prosecuted:

"KOY-KOOP administrative council members and administrative personnel gave credit and advances in their importation and distribution of tractors and in all their purchases and sales without obtaining sufficient security and in a manner violating the credit and expenditures regulations, and they failed to collect money owed and to follow up on accounts.

"Undocumented payments of more than 3,802,738 liras were made for shares of the Bagcilar Bank, which was purchased by KOY-KOOP and whose nominal value is 2,349,300 liras.

"Since 1977, elections were held that conflicted with laws, and workers were hired in violation with collective-bargaining agreements.

"By providing advances to individuals and firms in a manner that violated expenditures regulations, KOY-KOOP suffered unnecessary expenses and losses.

"Between 1977 and 1979, travel-fund and unsupported expense vouchers were submitted by administrative council member Tuncer Erguler."

Indemnification

The report speaks of the need for those responsible for the irregular expenditures to make indemnification.

The irregularities and improprieties for which indemnification is being asked are:

"[1.] Money collected unjustly and without invoices from those who had purchased tractors from KOY-KOOP and who had complained to the ministry.

"[2.] The sum of 95,334 liras for apples that were shown to be in the agricultural stock on the 1978 end-of-the-year balance sheet, but were not actually there.

"[3.] The sum of 27,911 liras for apples that were missing in the balancing accounts.

"[4.] The sum of 1.5 million liras that was paid for a building rented in Trabzon unnecessarily and left vacant.

"[5.] A total of 827,916 liras spent on general council meetings held in violation of rules and 191,318 liras spent without authorization at hotels, restaurants, and cafes."

Billion-Lira Debt

KOY-KOOP's property and money owed it is calculated at 599 million liras, much of this in fictitious transactions. However, it has been established that more than 100 million liras of the money owed is in unsecured checks and bonds whose terms have expired. In contrast, its total debt of 1,041,000,000 liras is broken down as follows:

"The sum of 107,442,770 liras is owed to the Is Bank; 225,423,643 liras, to the Agriculture Bank; 486 million liras, to Romania; 21,817,350 million liras to the Kagex Company; and 200,358,883 liras in miscellaneous debts."

Illegal Activities

Because most of the members of the administrative council were arrested by the martial law commandant following the 12 September change in government, the KOY-KOOP administration was temporarily entrusted to three persons by the Ankara Trade Court of the First Instance. Their duties in the administrative council were to be performed until the first general council meeting was held. They were appointed to serve 21 April 1981 and continue to do so today.

Complaints

In the meantime, an investigation was launched by Ministry of Village Affairs investigators after a complaint was received by the National Security Council Secretariat General that the administrative council was engaging in partisan, unjust activities.

In a report prepared at the close of the inspection team's investigation, it was urged that measures be taken promptly. The report reads:

"According to what was learned during the investigation, it had been stated that the term of office of the administrative council would continue until a final decision was handed down. That decision was made 24 April 1981 by the

same court that had ruled on the appointment. Despite this, the administrative council did not inform the parties involved of the final decision. Therefore, the decision failed to be implemented, and it was deemed necessary by related ministries to take court action to ensure its enforcement. During the investigation, evidence that the administrative council was acting unjustly and in a partisan manner was found. It will be beneficial to apply to the related court to have a nonpartisan administrative council appointed under Turkish Civil Law Article 377 and subsequent articles by the ministry following implementation of the decision. It has been reported that there is a need to declare KOY-KOOP insolvent and to liquidate it immediately.

Court Case

"According to the latest balance-sheet figures, the value of goods owned by and outstanding accounts of KOY-KOOP cannot cover its debts, and it is in a state of bankruptcy. It is not deemed legally possible to hold the general council meeting that is required, because a situation identical to that when the KOY-KOOP Central Union could not convene the general council meeting demanded for 18 April 1981 has been reached. Unjust activities in KOY-KOOP of persons who presently have control of the administration, who are known to act in a biased manner, and who continue to be its leaders have served to prevent former administrators from returning to lead the KOY-KOOP Central Union, which, for the reasons cited previously, is involved in 19 criminal cases and 96 civil cases. The opinion has been reached that the administrative council, which continues to be on trial before the Ankara Inquiry Judge No 2 on charges of irregularities totaling 20 million liras, will be unable to conduct a general council meeting without partisanship.

"In the meantime, in a notice received by the Ministry of Foreign Affairs, it is asked that the 486 million liras (\$3.5 million) owed to the Romanian Universal Tractor Company from KOY-KOOP's importation of tractors in 1978 be paid, and all goods have been placed under order of distraint because the debt has not been paid."

Earlier, Nedim Tarhan, former chairman of KOY-KOOP Central Union, was arrested by the Istanbul Martial Law Commandant military prosecutor for another crime.

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CSO: 4654/239

FARALYALI INTERVIEWED ON INDUSTRIAL DILEMMAS

Istanbul CUMHURIYET in Turkish 13 Mar 82 p 6

[Interview with Aegean Region Chamber of Industry Chairman Ersin Faralyali by Kenan Mortan]

[Text] Izmir--Ersin Faralyali, Turkey's youngest Chamber of Industry chairman, was born in 1939. He completed his secondary school education at Robert College and then studied business administration in Izmir. A member of the Chamber of Industry assembly for over 15 years, Faralyali runs a shop that manufactures leather goods and clothing. He is known as an administrator who has exported products for 15 years and is the person who designed the first apprentice course in the private sector in Turkey. He is the representative on the administrative council of the EBSO [expansion unknown], which he founded, of four industrial organizations that produce investment and intermediary goods.

Faralyali, chairman of the Aegean Region Chamber of Industry, said, "The concept of institutions within the free-market economy must have a place in the constitution." In response to a question on the various problems of industry in the republic, Faralyali urged that flexibility when dealing with wages be allowed at the level of facilities. Faralyali answered CUMHURIYET's questions:

Question: Mr Faralyali, at the first press conference you held on 4 December 1981, you said that the concept of the free market needs institutionalization. What elements are implied in this concept, and what have you done to bring this to life?

Answer: A free-market economy has no laws to deal with the system. For this reason, it is categorically imperative to have organizations to do so. These, however, would be purposeful. They are, in order to importance, anti-monopoly organizations; a price, profits, and revenues council to protect the consumer; and a higher arbitration council. All of these must have a place in the new constitution. All of these must be inserted in a system in a manner that will not give rise to a battle over concept and must be included in the new constitution. They must be set up such that the free-market economy is not considered to be a faltering system. For example, the concept of a mixed economy runs contrary to contemporaneity. It can neither direct a plan nor lead the way. Furthermore, we cannot give up on a plan.

Question: When you took your post, you immediately turned toward consumer protection. What did you do in this area in the 100 days you have been in office?

Answer: As you know, the chambers of industry will, henceforth, issue documents of quality in accordance with a new law. This will go into effect in August. This is a development that will greatly increase our working capacity and our responsibility to the community. Our goal is to protect the consumer by beginning with industrial goods in particular and including, step-by-step, all consumer goods and to revive the right to restitution. This undertaking, is, in essence, more of a contemporary requirement than making legal modifications. We are cooperating closely with the university on this topic.

Question: Mr Faralyali, we have read in the press your evaluations that wage increases are inadequate and, at the least, will cause claws to be bared among other sectors. How must wage increases be made?

Answer: We announced our very clear views on this subject at the Union of Chambers chairmen's meeting on 15 February in Ankara. Our assessment reads as follows:

"Strikes and lockouts were prohibited as of the 12 September change in government. Ousting workers was forbidden. On the other hand, the YHK [Supreme Juridical Council] delayed contract renewals. As a result, the economic situations of those who are working were ruined. This is because it is not possible to claim today that workers receive all the wages to which they are entitled. In an administrative system that is operating under a number of restrictive and limiting conditions, there is a need for several measures that will eliminate the economic difficulties of workers and, at the same time, will encourage workers to work more productively. I am of the opinion that, as a result of an increase in productivity, additional material resources that will be secured will not place too great a burden on facilities."

Question: Mr Faralyali, two points in your discussion attract attention. The first is your request for recognition of opportunities at the facility level, and the second is facilities' partial renunciation of a profit margin. Will you please expand on your statements?

Answer: With a statement that caused pleasure, the YHK first gave freedom to operations in the Petrol-Is [Turkish Petroleum, Chemical, Nitrogen, and Atomic Workers Union] field. Now, it is necessary to expand this a bit more and to introduce fluidity at the operations level. However, it is necessary for this increase to be analyzed together with concrete productivity so that inflationary developments do not enter in. It is clear, in particular, what sort of impasses the economy and facilities were dragged into by across-the-board increases in the past. There must be a difference in the wages of an engineer who works out in the field and one who has a desk job. Encouraging elements produced a great number of possibilities toward making this transition following the 12 September change in government. It is necessary to look upon and interpret this period not as one of a wage freeze, but as one in which norms that are related to productivity are set. If the industrial sector is

evaluated in this manner, we will have brought to light, while returning to democracy, all of the principles that ensure and encourage productivity.

Question: Very well. Will our industrial organizations accept the principle of sacrificing profit?

Answer: Before everything else, these are the facilities that hire the worker, the laborer. They see how a wage policy deprived of incentives affects productivity. For this reason, it is natural that they want a transition to such a system. There certainly must be a bonus for productivity and a supplementary wage increase. In essence today, it is not wage increases that fan the inflation that raises costs, but banks' interest rates.

Question: What percentage are wages and interest charges of costs?

Answer: Whereas wages make up 15 percent of costs, interest rates total 20 percent. If there is going to be a fluctuation or a freeze, the cost of money must be dealt with before anything else.

Question: Mr Faralyali, unemployment is an issue you have underlined in the three press conferences you have held in 100 days and in your New Year's statement. Do you view implementation of an absorption project such as that proposed in the second plan appropriate so that this issue will not create a social wound?

Regional Production

Answer: My friend, before everything else, we must say that the statistics on the topic of unemployment are inadequate. We have a broad services sector that is viewed as being unemployed. In addition to encouraging new projects, I support the evaluation of utilization of Turkey's industrial capacity. According to results of a study of capacity usage in the Aegean region in 1981, 56 percent of capacity was utilized. This was a 1-percent increase over the previous year. In short, this is inadequate. However, if this capacity is increased a little at the town level, I believe that a significant number of jobs will be created while developing regional productivity. I experimented with this topic at my own business. I observed that our tax laws, because of this type of beneficial application, can result in an important increase in employment.

Question: Mr Faralyali, my final question concerns the topic of money owed Libya. To what degree has this problem been solved?

Answer: Difficult as it is, payments have begun to be made as the Central Bank takes action. However, it must not be forgotten that the gravest problem in Turkey at present is the total lack of coordination at the grass-roots' level of top-level decisions made during the transition to modernity. For example, the Central Bank can be completely unaware of a decision reached by the TUD [expansion unknown]. In summary, we are obliged to create a new type of man who possesses universal knowledge on nearly every topic that pertains to the economy and not only this one. A Turkey open to the outside world can only be developed in this manner.

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CSO: 4654/239

GLOOMY FIGURES CITED IN TURKISH ENERGY CRISIS

Istanbul TERCUMAN in Turkish 23 Mar 82 p 5

[Text] The high inflation rate and the recession which affected the world in 1980-1981 has once again brought the energy issue to the forefront in Turkey as well as other countries. The current energy problem will maintain its seriousness throughout 1982. A long-term solution of the energy problem requires that developments be monitored on the world oil market, which supplies half of the world's energy, and appropriate measures be taken.

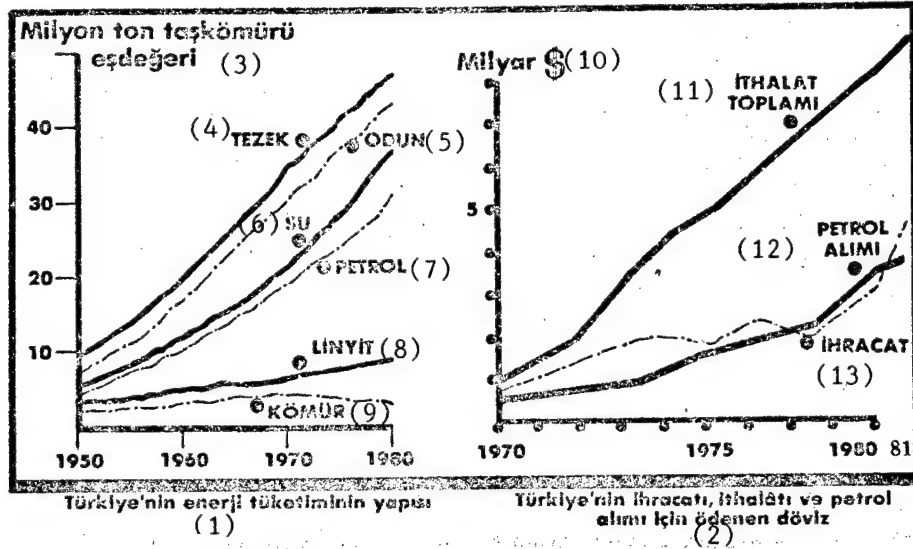
A report on the relationship between energy and economics, prepared by the Istanbul Chamber of Industry, says that the energy issue is important both as an input commodity for production and as a consumption item used for heating, lighting and transportation. The report adds that energy consumption rises parallel with economic growth during periods when energy price fluctuations are insignificant.

Foreign Trade and Energy

An examination of the relationship between foreign trade and energy reveals that the amount of energy a country imports in proportion to its total energy consumption has an important effect on that country's foreign trade structure. Since countries that import large amounts of energy have to do so with hard currencies, if exports cannot be raised, a rise in energy prices causes an increase in their balance of payments deficits. Such countries cope with this problem by cutting down on energy consumption and borrowing abroad.

Since Turkey imports half the energy it needs, the supply and demand picture for oil--which is dependent on developments around the world--has an important effect on Turkey's economy. Almost all the energy imported by Turkey is in the form of petroleum. When the 1981 import figures are revised accounting for changes in the price of oil, they are found to be \$22.7 million higher than reported. In 1981, Turkey's oil import bill amounted to \$3.257 billion. Between 1960 and 1970, Turkey's growing oil needs were met by increased domestic production. In fact, between 1967 and 1969, more than half the petroleum needs of this country was met by domestic production. In later years, however, domestic production peaked and then dropped. Today, only 15 percent of the country's petroleum needs are met by domestic production. Therefore, in order to meet its growing energy needs and in order to secure its current petroleum need of 15 million metric tons per year, Turkey must start adding to its petroleum reserves on a long-term basis. The production of coal, the oldest and most important source of energy, is also

seen to be dropping. Coal is an important energy commodity as a source of heat in industry and residences as well as in power plants and in the steel industry. It is reported that coal has once again become an important source of energy. The production of lignite rose constantly between 1950 and 1977. Production stagnated after the nationalization of the industry in 1978 and never reached the planned target of 19 million metric tons per year. Meanwhile, delays in the construction of hydroelectric power stations have resulted in only a 10-percent utilization of the total hydroelectric potential of 100 billion kilowatt-hours per year. Large projects are being delayed for various reasons. Nuclear energy holds great promises for the future of the world's energy supplies, but it will be impossible to put that energy form to work in Turkey before 2000 because of technical, economic, and social problems. Low-cost solar energy, on the other hand, is still at an experimental stage.



Key:

1. Turkey's energy consumption structure
2. Turkey's exports, imports and hard currency paid for petroleum imports
3. Coal equivalent, millions of metric tons
4. Dried dung
5. Wood
6. Hydro
7. Petroleum
8. Lignite
9. Coal
10. Billion dollars
11. Total imports
12. Petroleum imports
13. Exports

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CSO: 4654/258

STRENGTH OF GROUPS WITHIN SOCIAL CHRISTIAN PARTIES

Brussels LE SOIR in French 10-12 Apr 82 p 2

[Article by J.v.H.: "CVP and PSC: Relationships of Force Among Families"]

[Text] The net setback suffered by the socio-Christian family at the legislative elections of 8 November has led a goodly number of political scientists to make an in depth analysis of the parliamentary representation of that political "family" and, more specifically, of the relationships of force among the different families or organized social classes which make it up.

A first study was published in the weekly publication from CRISP [Center for Socio-Political Research and Information].* A second one, widely commented on, has just been published in the second issue of RES PUBLICA.**

These two documents clearly show that the relationships of force among the families are not the same in the North as they are in the southern part of the country. Thus, within the CVP [Social Christian Party (Flemish)], it is the "worker oriented" trend (ACW [General Christian Workers Association]) which provides half of the party's parliamentary representation, the unaffiliated being very much in the minority. In the PSC [Social Christian Party (Walloon)], on the other hand, it is the unaffiliated who constitute the most important group, while Christian Democracy [DC] (left wing of the party) only represents 28 percent of those elected.

According to CRISP, the electoral defeat of the CVP has completely changed the relationships of force. "By losing relatively few seats, the ACW faction henceforth has an absolute majority within the CVP group in the Chamber, even when subtracting the controversial case of Mark Eyskens***, whereas the NCMV

* Cahier 955 of 12 March 1982, rue du Congres, 35, 1000 Brussels.

** E. Van Evenstraat, 2B, 3000 Louvain.

*** CRISP noted that, like his father, Mark Eyskens has always been supported by the ACW. This is also the case for the current Prime Minister Wilfried Martens.

[National Christian Middle Class Federation] faction (the Christian middle classes) has lost half of its strength and the Farmers' Union (the agricultural league) faction one-third. This development is due to the fact that the least secure jobs in terms of usefulness were often held by non-ACW candidates."

The opposite is true for the PSC, noted CRISP: "It is the left wing of the PSC group in the Chamber which seems to be the main victim of the elections, as the unaffiliated representatives are at this moment relatively the most numerous and as those of CEPIC [Independent Christian Political Study Center] were all reelected."

Influence of Families Still Real

"Rarely," said Jozef Smits in his opening remarks in RES PUBLICA, "have the families been so obvious within the CVP and the PSC as during the weeks preceding and following the elections of 8 November 1981."

Thus, the influence of these social classes is still very real within the social Christian family, even though its leaders may deny it. However, they cannot deny that the pressure of social organizations is always felt at the time when lists of candidates for elections are being drawn up. This is particularly true within the CVP where, since the establishment of the party, important personalities from the labor movement (ACW) have played a significant role.

Which does not necessarily mean that the relationships between the CVP and the ACW have always been excellent. In this respect, the author would recall the uneasiness which prevailed right after the strikes against the single law and, more recently, the stand taken by the Christian steelworkers who threatened to create an autonomous workers party.

As for the other two families -- the Farmers Union and the NCMV --, they have always supported the CVP.

Steady Decline: DC, PSC

The author stressed that within the PSC, the position of the Walloon wing of the MOC [Christian Labor Movement] is different from the one adopted by the ACW in Flanders. It defends political pluralism. The author noted that these reservations of MOC with regard to the PSC are due specifically to the fact that it was badly represented in the higher bodies of the party. In 1964, for example, there was only a single member of MOC among the five Walloon members on the national executive committee of the party (PSC-CVP, still a single party at that time).

When you analyze the figures of the four last elections, you will note that the DC [Christian Democracy] representation in the Chamber has been constantly declining to the benefit of the unaffiliated [SF] (see table at the end of this article). In the Senate, a reverse trend is noticeable: the bad scores in the Chamber are compensated thanks to the election of provincial senators. Currently, the DC still has six senators, as against seven for the unaffiliated and three for the former CEPIC.

Center Party

In his epilogue, Mr Smits noted a letter from a "group of 228" which, after the elections, asked the president of the ACW to work for the creation of the Christian workers party. "Undoubtedly," he continued, "the demands formulated earlier in favor of a better representation, qualitatively and quantitatively, of the ACW within the CVP will be repeated once again. As long as the ACW only (re)formulates such demands, this will not pose any great problems for the CVP. As for the Farmers Union and the NCMV, their support of the CVP will be dependent on the extent to which the CVP is and remains a center party."

The most significant shifts have taken place within the PSC, where the elimination of families as such has led to the departure of members of parliament classified as CEPIC, to join a "Rally of the Center" (RDC).

The author concluded: "In spite of the call from the center movement to regroup, the DC has decided to maintain its structures. The unaffiliated also want to continue to assert themselves as such. A regrouping within the PSC, and the hope of the initiators of the RDC to achieve an overall 'disarmament of the families,' within the PSC, do not yet seem to be imminent."

Table:

	1974		1977		1978		1981	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
DC ...	12	55	13	54	10	40	5	28
SF ...	6	27	7	29	10	40	9	50
CEPIC.	4	18	4	17	5	20	4	22
Totals	22	100	24	100	25	100	18	100

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CSO: 3100/602

NEED TO MEND PRESIDENT-ARCHBISHOP DISPUTE STRESSED

Nicosia 0 AGON in Greek 22 Apr 82 p 1

[Text] The existing unpleasant situation in the relations between the government and the church as a result of the rift between the president of the republic and the archbishop cannot continue at its present state without becoming in many ways injurious to Kyprianou, the archbishop, the government, the church and, particularly, to the classes of the struggling people.

The rift must be bridged. The president and the archbishop have a duty to meet, to discuss their differences and exert every effort to settle them before they become worse thus rendering any reconciliation impossible. It is not our intention to attribute responsibilities and to say who is to blame more or less for this situation. Our intention is make a contribution and to facilitate the restoration of the relations between the two leaders. Besides, the history of the dispute and controversy is known as is also known the position this paper has taken recently in reproving an unfortunate and unwise behavior. No need, therefore, to repeat what took place, what was said and written.

The people saw, heard and judged the two parties and have imputed responsibilities using the strictest of criteria for which they are known. But the amount of patching up these differences and for reaching an understanding has arrived. What is needed is the good will on the part of both parties for ironing out their differences. True, some would like to see this controversy continue and they are pushing for a wider rift. They pour oil on the fire and give the worst of advice in order to perpetuate the dispute and to create an unbridgeable gap.

Neither the president nor the archbishop should listen to the dangerous recommendations and advice of their contrivers and of those who want to keep them permanently apart and at odds with each other. On the contrary, both should act decisively in solving their differences and at restoring again the serenity and calmness in the church-government relations, a serenity so important in successfully conducting the struggle and in strengthening unity.

The existing gaps and rifts are more than enough to add one more which is much deeper than the rest. The two, therefore, must meet to avoid such a possibility by putting their relations again on a healthy basis which will usher a new close and harmonious cooperation between them.

AKEL-DIKO ALLIANCE ATTACKED EDEK EXTOLLED.

Nicosia TA NEA in Greek 22 Apr 82 p 1

[Text] The pre-electoral composition of the Kyprianou government portends dangers for the democratic process. Already the Democratic Party [DIKO]-AKEL announcement that Kyprianou will be their common presidential candidate has signalled the opening of the Kyprianou electoral campaign. Thus, we have officially entered the pre-electoral period.

To ensure [clean] elections, it is necessary that a) the ministers involved in the conduct of the elections should be persons trusted by all sides which will participate directly or indirectly in the elections, and b) the media should provide equal time to the statements and activities of all candidates. (On the occasion of the reshuffling of his government, Kyprianou made a comprehensive presentation of his programmatic positions. An equal opportunity should be given to all other candidates.)

Already the people follow with surprise the peculiar developments. The "incompetent", the "unworthy", the "indecisive"--according to AKEL's phraseology--is now transformed into "a most worthy democrat" who is suitable to lead our people to freedom and vindication.

The financial improprieties and the loud scandals are transformed into "economic miracles". The DIKO and AKEL parties have diametrically opposite ideologies which are not limited to internal socio-economic structures only but to the international developments as well. It would be useful to inform the people which views each side gave up in order to agree on "a common program."

The leaderships of both parties speak about "change"! This is understood to mean change in policy presently followed. In other words, Kyprianou admits that his policy of "responsible" and "prudent" administration is bankrupt!

Words cannot be used but in their true meaning. Certainly "change" cannot come with the forces now in power, forces which--as of yesterday--will be governing the country jointly. Nor can change come from extreme right leaderships which are responsible for the national tragedy and whose economic policy will be the same or more burdening to the popular strata than the policy of those governing today.

Indeed, the country does need "change" which can be effected a) by the true agents of change--those who believe in another policy which will place the Cyprus question on the play charted by the present Greek Government; those who have always been defenders of the democratic process and the dignity of our people, and 5) by the socialist forces in Cyprus which believe that fatherlands and rights are not written off.

All true patriots without bias and without sterile devotion to traditional positions belong to this Front of Change, this Front of National Salvation.

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CSO: 4621/332

SARCASTIC COMMENTS ON AKEL'S PAST, PRESENT VIEW OF PRESIDENT

Nicosia I SIMERINI in Greek 22 Apr 82 p 5

[Article by Savvas Iakovidis: "The Experience of the Elephants"]

[Excerpt] Churchill, the great English political leader, once said: "In a national crisis, authority is a blessing when a person knows what orders to give. The trust with which the person in authority is surrounded is tremendous. If he stumbles somewhere, he must be given support. If he makes mistakes, they must be covered. If he is asleep, no one should wake him up. And if he is not good, he should be beheaded."

The Cypriot crisis is both national and permanent. Kyprianou is in power not by virtue of elections but by virtue of opportunistic circumstances and unholy alliances. Kyprianou is not held in esteem. His policy and his governing are synonymous with thunderous failure. He was insulted [by AKEL] an "unworthy" and was branded as "incapable". He was called "indecisive" and described as a "gravedigger." He has committed numerous mistakes which cannot be covered nor hidden. He was regarded a scourge and a calamity for the country. Today he appears as the announted "qualified, experienced and tried political pesonality" of "international prestige."

We are not going to ask, as Churchill [said], that Kyprianou be decapitated. But we cannot remain indifferent and unconcerned before the decapitation and enslavement of the country now being attempted. The president sleeps and rests on the bed AKEL prepared for him; and dreams of one more 5-year term at the helm of Cyprus. But since 2 days ago, those in this country who are prudent, discreet and concerned are neither sleeping nor dreaming or resting. They agonize and worry more than ever for the present and especially for the future [of our country]. Because the Democratic Party-AKEL unholy alliance with its two-party and communist-controlled government is preparing the enslavement of Cyprus to AKEL's arbitrary will. Kyprianou has the right to stay asleep and unwilling to wake up. But it is the duty and obligation of this country to react at last and to reject AKEL's manipulations.

[...Kyprianou] is timid, indecisive, unsuccessful, hesitant, irresponsible, gravedigger, underminer of the Makarios policy, inferior to circumstances, unfit, unthoughtful. All these descriptive epithets and all these demonstrative characterizations were applied by AKEL to its present servant "who

enjoyes international prestige." In this way has AKEL insulted the man whom today it attempts to impose on the Cypriot Hellenism for one more 5-year term. Only Circe with her magic wand could change the erstwhile incompetent, unsuccessful etc., Kyprianou into a "tried" and "qualified" etc., president. And only communist AKEL could lick the spot it lavishly spat on. Two years ago Kyprianou was asked [by AKEL to follow the example of the elephants and retire to his political graveyard. Now he is being lauded and placed at the head of the patriotic, democratic elephants. With the experience he has he will undoubtedly lead Cyprus to salvation....

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CSO: 4621/332

ATHENS-NICOSIA CONTROVERSY GOES ON

Denials, Counterdenials

Nicosia 0 AGON in Greek 1 May 82 p 12

[Text] Dinos Mikhailidis, director general of the Ministry to the President went urgently to Athens as a result of the Nicosia-Athens crisis. He left yesterday morning following a meeting with Kyprianou. It was not made known if he carried a message from Kyprianou to Papandreou--but is considered certain that he did.

Nicosia Denies

Yesterday, the government spokesman made the following statement: The Greek Radio-TV broadcast yesterday press reports according to which the letter Greek Premier Papandreou sent to President of the Republic Spyros Kyprianou pointed out the following three points:

1. Following the unexpected Kyprianou position favoring the intercommunal dialogue, the Greek Government's campaign to internationalize the Cyprus question is literally torpedoed.
2. The president of Cyprus should be the spokesman for all parties and should not limit his cooperation to one party only.
3. Kyprianou's intention to cooperate with AKEL was not made known to Greek Premier Papandreou during the latter's visit to Cyprus.

Asked to comment on the above report the government spokesman said: "The Papandreou letter does not contain such things."

Asked if the Greek premier was aware of the Democratic Party [DIKO]-AKEL cooperation the spokesman said that Papandreou was informed [about it] long ago.

Athens Contradicts Kyprianou

Late last night the Athens News Agency reported the following:

The Greek Government spokesman commenting on the statement by his Cypriot counterpart according to which the Greek premier was informed about the DIKO-AKEL cooperation said:

"It is absolutely untrue. Neither the premier nor the Greek ambassador in Nicosia was informed."

AKEL's Regret, Surprise

Nicosia KHARAVHI in Greek 1 May 82 p 3

[Text] The statement by the Greek Government spokesman concerning the DIKO-ADEL positions was received with sadness and surprise. Sadness because, to the degree Papandreou agrees with this statement, a new, clear intervention in the internal affairs of a state is taking place. Our independence is buffeted. Our government is exposed as dependent or obligated to follow a policy determined by outsiders. The necessary Nicosia-Athens harmonious cooperation is undermined. Confusion and division in the internal front is promoted while the Cyprus case is being weakened.

Surprise, because it is indeed strange that contradictions should be expressed against the right tactic and policy the National-Ministerial [Council] charted under Makarios' guidance, a policy which is being supported by the majority of the Cypriot people and which is consonant with the objectives of our struggle and in agreement with the United Nations resolutions the implementation of which on an international basis we demand consistently.

We consider the cooperation with the Greek Government precious. The support of Greece as well as that of other nations is one of the important weapons in the conduct of our struggle. We want this support and cooperation to be strengthened. Unfortunately the action of the Greek Government will have an adverse effect. For this reason it is indispensable that it be rectified by deeds and without delay. We should also point out that because of past painful experiences our people are sensitive to outside interventions in the internal affairs of the country and that this sensitiveness applies to Athens also. We think that it would be necessary for Papandreou to make clear that interventions and actions which historically have proved to be disastrous to Cyprus are not about to be repeated during his governing.

7520

CSO: 4621/332

VON DOHNANYI ON HAMBURG ELECTION, SPD CONGRESS

Bonn SOZIALDEMOKRAT MAGAZIN in German May 82 p 12

[Text] In Hamburg on 6 June, the Social Democrats will be facing their first test in an election since the conclusion of the Munich party congress. SM had an interview with Klaus von Dohnanyi, Lord Mayor of the Free and Hanseatic town.

[Question] You will be standing for election in Hamburg 6 weeks after the SPD party congress in Munich. Did the SPD congress help or hurt your chances ?

[Answer] This party congress not only resulted in strong support for the federal government; it also provided us with momentum for the upcoming Landtag elections of this year. Ahead of Hesse and Bavaria, Hamburg will be kicking them off on 6 June. We want to give proof of the fact that the SPD emerged a stronger party from this congress.

[Question] In your contribution to the debate at the party congress, you called for a sharper definition of the SPD in view of the upcoming campaigns in Hamburg, Hesse and Bavaria. Has the SPD come out of its slump ?

[Answer] Munich made it clear to everyone that we have a well-defined image even in difficult times. We managed to give clear definition to the problems that confront us on the job front as well as in security and peace policy. The concerns of the general public were reflected in our discussions. We are on our way.

[Question] Do you think the decisions of the party congress are in any way explosive as regards the government coalition ?

[Answer] Our decisions cannot simply be taken over by the coalition. That applies to Bonn and it may apply to Hamburg tomorrow. We are all agreed on that; but we must go through the decisions together point by point and see how many of them can be turned into a common policy.

[Question] Critics of the party say that the Munich spirit of togetherness will not last. What do you believe are the priority tasks of the SPD so as to avoid presenting a picture of disunity once again ?

[Answer] It is correct to say that the party appears disunited in the public eye. But a party that not only reacts to the status quo must also be able to engage in debate on controversial issues in order to achieve constructive results. In my view, our media ought to make this clearer than they do. The point is that the party must act in a united fashion. The priority goal must therefore be to stand up for the Munich decisions as a solidly united entity—even in those instances where one might personally constitute a minority.

[Question] When you took over the job of lord mayor in Hamburg the SPD was not in terribly good shape, was it. Has that changed ?

[Answer] The Hamburg SPD is in good shape. In the past, it may have debated this or that issue too long without reaching tangible results. As mayor, I can rely on solid and substantive work by the party in Hamburg.

[Question] What are the main issues with which you hope to win the confidence of the Hamburg electorate during the upcoming campaign ?

[Answer] These are the main points in the 6 June election: safeguarding jobs, creating job training opportunities, facilitating the construction of residential space and promoting private investment. For this reason, we support Chancellor Helmut Schmidt's proposed joint initiative for jobs, stability and growth. This program would also benefit Lower Saxony and Schleswig-Holstein both of which are plagued by high unemployment, since this unemployment in the neighboring Laender also affects Hamburg. The 160,000 people from Lower Saxony and Schleswig-Holstein who come to Hamburg every day to work attest to the fact that social democratic support and assistance to business has met with great success in Hamburg. And beyond that, we have clearly shown that politics is a matter of hard and painstaking work and not of slogans. Anyone who throws in the towel now will merely create more unemployment. That is why we say no to CDU inertia. We will not have it!

[Question] What advice can you give to the Hamburg rank-and-file for the last weeks of the campaign and what do you hope for on 6 June ?

[Answer] Keep on working as a solidly united team. I am sure that the men and women of our city will remain true to the Hamburg way and will confirm the SPD as the leading political force.

9478
CSO: 3103/478

KIEP ON CDU'S COALITION, ECONOMIC POLICY IN HAMBURG

Duesseldorf HANDELSBLATT in German 12 May 82 p 3

[Report on interview with Walther Leisler Kiep, CDU candidate for mayor of Hamburg by Lutz Beukert: "Tax Increases Are Out of the Question for Hamburg CDU"]

[Text] Hamburg, 11 May 1982—In an interview with HANDELSBLATT, CDU mayoral candidate Walther Leisler Kiep said: "To aim for a grand coalition would amount to nothing less than to take the voters for a ride."

It would make no sense for him to call for a change in Hamburg, he said, and to cite the long list of SPD sins—such as patronage, party book nepotism, the Iran scandal, the Stolzenberg debacle and the wrangling about Brokdorf—and then turn around and say he would join these very people in a coalition. Should the occasion arise, Kiep said he would be willing to head a minority city government. "I was pleased to hear Ms Schuchardt saying that she could live with a CDU minority administration," Kiep said. For now, however, he was going on the assumption that the 6 June election would return a CDU majority. He based his hopes on the most recent poll conducted prior to his announcement that he would stay in Hamburg no matter what which found that the CDU was in the lead for the first time with 43 percent with the SPD trailing behind at 41 percent. The FDP would get 5 percent and the Greens 9 percent of the vote.

"I hope we will succeed by 6 June," Kiep said, "in getting Mr von Dohnanyi to agree to resign in case the SPD comes in second."

Kiep considers a coalition with the FDP a possibility despite different points of view on specific political issues. "We are agreed on the political priorities such as fiscal and economic policies." No such agreement exists between the SPD and the FDP, he added.

Kiep said his primary objective would be to combat unemployment in Hamburg. Toward this end, the CDU had come up with its 10-point action program, he said, which included proposals for investment activity, for the construction industry, for transportation policy and wide band cable television.

As far as fiscal policy is concerned, the objective is to regain some freedom of action by economizing particularly in the administrative and the consumer fields.

It would have to be investigated, Kiep said, whether everything the government does in Hamburg can only be done by it but could not also be done by the private sector.

Tax increases are out of the question as far as the CDU is concerned. "We are situated at the very top of the scale on fees and at the top with our rate of increase on the crafts taxes," Kiep pointed out. If we went any higher, the existing strong trend toward migration would grow further.

To get more industry to come to Hamburg, Kiep suggested the establishment of a settlement company which, in conjunction with economic authorities, would act as a troubleshooter in smoothing the way administratively and procedurally for those willing to move in. This settlement policy, he said, must be conducted in an active and aggressive manner.

In addition to this new project, Kiep would like Hamburg to adopt a different policy toward firms wishing to relocate within the city so as to prevent them from leaving the city altogether. Because of a lack of concern on the part of the bureaucracy many firms were not given an opportunity to relocate to better sites. Commercial properties would have to be designated as such, he said, and not be transformed into residential properties as soon as they became available.

The SPD administration's energy policy which followed a zigzag course on the Brokdorf issue and came out for the construction of more coal-fueled power plants harmful to the environment, said Kiep, is a way of further damaging Hamburg's reputation as a home for industrial undertakings.

Kiep is in favor of expanding remote heating coverage from the present 190,000 residential units to 330,000 by the year 2000 but in contrast to the government he thinks that refitting the two existing coal-fueled power plants will be sufficient to achieve this end. The two additional coal power plants being planned will do even more harm to the environment and thus make things even more difficult for industry, he said.

Kiep unreservedly calls for starting up Brokdorf at base load. In this connection he says it is worth considering whether the coal-fueled power plant at Wedel in Holstein might not be substantially scaled down, since it is very harmful to the environment.

Commenting on Bonn economic policies, Kiep called on the government to clear the way for a further lowering of interest rates by making clear and firm commitments regarding the medium-term consolidation of state finances.

In order to reduce business uncertainty which hampers investment, Kiep said, longer-term commitments to economic planning need to be made. In saying this, he was turning thumbs down on Munich, on tax increases, on investment controls, on surtaxes and labor market taxes. The SPD party congress in Munich, he said, has come up with a grand scheme to hamper investment.

9478
CSO: 3103/474

LAJOINIE ON PCF POLICIES, CONGRESS; POLAND; MEDIA

Paris REVOLUTION in French 12 Feb 82 pp 14-18

[Interview with Andre Lajoinie, PCF Politburo member, recently elected to the Central Committee secretariat, by Dominique Vidal and Gilbert Wasserman: "Communists, French Style"; date and place of interview not given]

[Text] The 24th PCF congress ended Sunday. To say the least, it has caused a river of ink to flow, not to mention a flood of words and pictures. REVOLUTION brings us up to date with Andre Lajoinie, a member of the PCF Politburo, who was recently elected to the Central Committee secretariat.

[Question] Our first impression of the 24th congress is one of serenity. That may seem surprising, first because it comes after last spring's election losses; second, because people talked a lot about the PCF's past while they were preparing for the congress; and, third, because a campaign tried to depict it as the "congress that would break with" the Socialist Party. Why this serenity, then?

Andre Lajoinie: Serenity, indeed it was, and combativeness. I would be happy to say maturity. The 2,000 delegates showed their political maturity, a new-found one, in my opinion.

The first reason for it is that the congress was the outcome of a long discussion that not only took place as preparations for it were being made but had been going on since last spring.

Undeniably, the PCF was shocked by the results of 26 April. It was shaken, as is normal; and it began to think things over with the help of its leadership, the Central Committee's work in June, initial analyses, and, finally, on the basis of a draft resolution. Contrary to completely erroneous reports, the preparations for this congress involved more communists and party cells over a longer period of time than ever. Figures don't lie. It was therefore a very rich debate among the communists represented by delegates to the congress. As a result, the fact that the delegates found themselves at a final stage in the deliberative process explains the serene and combative climate and the maturity of our sessions.

This is particularly true concerning the "delay" that we spent a lot of time on in the preliminaries to the congress. That is, no doubt, the reason the congress

spent so little time on this issue, which is generally spelled out in the draft resolution; the congress preferred to turn resolutely to the future.

[Question] But what about relations with the Socialist Party?

Andre Lajoinie: Serenity there, too, because bygones are bygones. We have had the agreement of 23 June, the appointment of 4 communist ministers, and recently the PCF-PS meeting.

The union has overcome the test of Poland. You might even say the two parties are "cruising" in their relationship. The delegates were aware of that.

[Question] The central theme on the podium was, "Build socialism with French colors." Some people may wonder whether the communists aren't indulging in wishful thinking. Today's France is still a capitalist society in crisis.

Andre Lajoinie: Precisely because this society is in crisis it is important to steer a course for French-style socialism. The lesson we learn from the past is that this crisis creates aspirations for another, socialist society. The "delay" I was talking about consists precisely in not defining soon enough what socialism is in the colors of France and preferring a model that was not adapted to the facts of life in this country; aware that what we were doing was not credible, we substituted for that model the intermediate stage of "advanced democracy" with its form of union that was itself not adapted to our reality.

Now we want to respond to that aspiration to socialism. We know, of course, that it is neither linear nor mechanical but obviously confused, diversely felt and expressed, and contradicted by braking factors that are themselves tied in with the crisis. We do not underestimate the fact that people are slow to realize that reforms are indispensable and must be made; the resolution of the 24th congress shows this. But we must meet the expectation of a new platform and show--this is our whole strategy--that it must be put to work right away.

We are thus continuing French-style socialism as defined by the 22nd congress and the democratic way outlined by the 23rd congress; we are saying we should get to work immediately in a new situation that makes it possible for us to score some points, to move onto some springboards to further progress, and to plan imaginatively without waiting for events.

[Question] A situation that, in a word, makes it possible to go from theory to practice, a change of context that enables the communists' new strategy to be fully deployed. The alternative, "a democratic way or a social-democratic impasse," for example, is no longer an abstraction but a daily occurrence, then?

Andre Lajoinie: It was a matter of practice, I think, after the 23rd congress, but it is much more concrete today. This is what is at stake in the current battle. Whence we say that France is not predestined to go the social-democratic route. We, now, foresee another hypothesis, a revolutionary advance; but we obviously cannot predict in advance its speed, its agenda or even its magnitude.

Everything will depend on the direction and intensity of the class struggle. In short, it is true that we are moving to the practical application of theory.

[Question] How then can we define the continuity and innovation in the 24th congress relative to the 22nd and 23rd? What direction is French communist thought taking?

Andre Lajoinie: As Georges Marchais emphasized in his closing address, the three congresses form a whole. My own opinion is that the 22nd congress is the historic one. The lessons of the "delay" began to be learned at that point, namely that the "delay" has been essentially made up if not completely put behind us. The 22nd congress is the first one at which the Communist Party set forth an original plan of socialism that met the national facts of life.

We are renewing and enhancing this plan, because it is not yet complete. The 23rd and 24th congresses developed it in consideration of the new situation and events that had taken place since the 22nd congress. What else could they have done if French-style socialism is to respond to the real problems of the country? The plan is far from being a finished product ready to be hung on the wall; it changes with the times, as does the process of democratic advancement, which the 23rd congress specifically substituted for the intermediate stage that we used to advocate and for the forms of union associated with it.

But, I repeat, the 22nd congress provided the essential base on which we have been able to build and enrich our strategy and put it into practice.

[Question] The PCF and its strategy have a new relationship with existing socialism, one that dates from the 22nd congress. The 24th congress--and, notably, Georges Marchais' report--took up this question in their turn. For some people, it seems to involve a rapprochement with the socialist countries, even aligning with them. The PS delegation to the congress even emphasized in a communique that there was a "basic divergence" between the two parties on this point.

Andre Lajoinie: Alignment, realignment, this is an old subject. There is nothing mysterious in the intent of the people who are saying this--they want to make us out to be a vassal party of the Soviet Union--and I wonder if they don't get carried away believing their own propaganda. Now don't get me wrong: I am not blameless, of course, and I know very well that the observers of French political life are not blameless. But even so!

The 24th PCF congress undertook a real critical review of the party's history. It was not easy. In choosing to seek the causes of our decline not only in 1977-81 but in the longer period since the 1950's, we made a delicate decision for a political party. Self-criticism over a 20- or 30-year period calls into question willy-nilly leaders both living and dead. Who else has the courage to do that? When have other parties ever gone over their past like that? To take just one example, who has reexamined the Suez intervention issue?

I was thinking about that the other day on the occasion of the 20th anniversary of Charonne. What self-criticism have the people done who were responsible for the massacre? They are still in office! The chairman of the Constitutional Council spends his time butchering laws and he is the one who is primarily responsible. What does he say about it?

[Question] Not to mention the prefect of police at the time, who has been implicated in extremely serious acts under the Occupation.

Andre Lajoinie: Acts of a complementary kind that still shed light on his attitude at the time of the Charonne incident. And those people claim to be giving us lessons in democracy!

Charonne, especially, shows that while the PCF has been "behind" in strategy, it has been fighting the good fight. In the difficult struggle against the war in Algeria, for example, it did its duty. No one denies any longer that the communists' attitude and their martyrdom at Charonne played a considerable, historic role and helped sway French public opinion. In beating back the colonialist mentality, which we fought so long and so hard, they nourished and brought the ideas of peace, negotiation and independence into the majority. And people say we haven't done anything?!

[Question] Let's get back to the deluders who delude themselves.

Andre Lajoinie: O.K. Is there any better pledge of our willingness to commit ourselves to French-style socialism than when we take the chance of making an issue of our past 30 years and make a considerable effort such as no other party has done? If we had not definitely rejected any "model" or opted for an original and independent way, would we have undertaken this self-criticism? The commentators who do not see that are being either blind or dishonest.

[Question] Some people will ask why not go further in criticizing the socialist countries:

Andre Lajoinie: Indeed, some people say that the credibility of our plan for socialism in France should be validated by a total criticism of present-day socialism, even by a rejection of its socialist character. That would also mean denying the solidarity necessary among ourselves.

Our plan for socialism, as Georges Marchais has stated, is a plan for France. We are not reproaching anyone for anything. We have a lucid vision of how to build socialism in the world. We have our eyes open, and we would like everyone to see things as we do. It is well known that some people deny that socialism has made any progress, class structure being what it is, because capitalism and its privileges are attacked. For them, everything is dark, and the socialist countries are hell.

You have to be lucid, i.e. consider that a great movement of building socialism is developing in the world, a living socialism. It is an uneven, diversified movement that has different starting points and has reached different stages. Does "developed socialism" exist? The congress argued a long time about this. Can socialism, or any society, for that matter, be perfected? Socialism must still and everywhere develop towards the self-managing society, towards communism. It is a process. Every country builds socialism in its own way, in a given context, with its own historical delays and according to the international conditions of the moment, with its trials and errors. In short, as I said, it is a process, a complex and contradictory one, but one that we think is generally going in the right direction. The problems that have arisen are mainly problems

of growth and I would say even of youth. What are 65 years for a new social order, when capitalist society developed over several centuries? In the same vein, we do not forget the socialist countries' most practical contribution: 37 years without a world war.

If people deny that, what do they want? Do they want the socialist countries to return to capitalism? If they are not socialists, what are they, and what should they do? And what would the consequences be for their own development and for world peace? The Socialist Party, and I speak as a colleague, should consider the thought of Jean Jaures, for whom capitalism brings war as clouds bring rain. That was before 1914, but was he wrong? Do not the first and second world wars and the events since then bear him out? If capitalism alone existed in the world today, who knows what would happen? Thanks to the socialist countries, their power, their military might, and to the people's movement in capitalist countries and the Third World, world peace is being preserved.

[Question] What about the question of solidarity between these forces?

Andre Lajoinie: I was coming to that. Denying the existence of socialist countries and crossing them out means renouncing any solidarity. Why would we express solidarity for countries that would not build socialism? We, now, are partisans of a new internationalism, that is, solidarity with peoples who are building socialism, but we do not align ourselves with anybody, we do not hold back our opinion nor, if necessary, our differences, as is true for all peoples who are fighting for their national and social liberation. The progress of some contributes to the progress of all. The unequal number of delegations present at our 24th congress showed this.

[Question] Isn't this clear vision, in the final analysis, a requirement of life? What must long-time communists think when they see that in Poland, after 35 years of socialism, the refusal of necessary reforms leads to such a dramatic crisis? Or when a Chinese Communist Party delegate attends a PCF congress for the first time, 20 years after the Sino-Soviet split?

Andre Lajoinie: Indeed, we must give up an idealistic, mechanistic view of this gigantic movement. It is a complex, contradictory process; it is important to comprehend the complexities and contradictions rather than live on utopistic conceptions. Thus, communists wish everything were ideal, or socialism would not exist. Utopia is necessary, of course, but don't overdo it! Then too, clear-headedness is better, even if it hurts sometimes. Every failure and setback are painful to communists, even though clear thinking enables them to consider failures as going hand in hand with success and as being a part of the same paradoxical process.

That is the lesson of Poland, which we have obviously been thinking about a lot. This is also shown by the new relations being established between our party and the CCP. What a disappointment was caused by the separation of this socialist country with a billion people from the other revolutionary forces. What hope is being aroused today, over and above possible differences and divergences by the renewal of relations between the PCF and the CCP. That the revolutionary movement is more true to itself, that everyone is pulling on the same rope in the same direction, well, that is an event of great moment if it is confirmed.

[Question] Let's get back to France. The Communist Party defines itself as a party of struggle, a government party, or a party in the government. All during the congress, observers waited to see which would win out in the struggle-vs-government dualism. On this basis, most of them predict that the communist ministers will resign, though they cannot say when. Isn't this one of those incidents of self-intoxication we were talking about earlier? In fact, shouldn't we say that today the struggle is not necessarily opposition but construction?

Andre Lajoinie: That is a good formula, a party of struggle and government, although we have learned to distrust formulas, which are always a little oversimplified. But to struggle is, indeed, to build. The reforms that must be made to get out of the crisis and build socialism cannot be accomplished just at the top, in cabinet ministries or the National Assembly. It would be utopistic to think that, it even amounts to parliamentary idiocy. All history teaches us the opposite. There has been no progress made here or elsewhere without popular struggle. That idea is the ABC of any revolutionary: to struggle is, yes, to build. It is what I called, in my speech to the congress, an "enriching dialectic." What can be done in the government or the National Assembly and what the workers can do in their struggle are complementary.

What is done at the government level can be a point of support for the workers, and what the workers do in their struggle is absolutely indispensable to progress. The necessary reforms run into obstacles, as we know. We are not on a boulevard lined with applauding spectators. The obstacles come from management; they come from its resistance even when they seem to come from somewhere else. Thus, it is strictly indispensable to join action in the government and the majority on one hand with the workers' struggle, on the other. If one of these two aspects were lacking, we would have trouble making progress.

[Question] In his closing speech, Georges Marchais strongly emphasized the fact that the majority is pluralistic, with differences and divergences, which still does not prevent it from demonstrating its cooperation and cohesion. Does that not set up a new conception of the union between the PCF and the PS? It is a conception that the 23rd congress had sketched out, and it differs profoundly from that of the Common Program, where people tended to give the impression that agreement on everything was necessary for joint action. It is a conception that borders on the idea of positive competition.

Andre Lajoinie: At the 23rd congress, we did indeed learn the lessons of the Common Program period. We thought then that we needed agreements with common positions on everything, or nearly. Those agreements have an illusory aspect to them. If we could agree on everything, there should be only one party. No, actually, agreements ought to reflect the real situation, i.e. the points where we think alike and those where we don't, in short, they should take place at the level of the popular movement itself.

That is what we did in the agreement of 23 June, which enabled communist ministers to enter the government. This was confirmed at last month's meeting with the Socialist Party. I think this form of union has proved its effectiveness; as I said, it has weathered the crisis of Poland, which means it will last. So, it can be a durable agreement.

This is why we are solidly optimistic about the continuing participation of communist ministers. On the basis of this form of union we are also setting forth the idea of a challenge to compete. It is a democratic challenge, and the workers can only be gratified that everybody is trying to do the best thing for change and for the success of government policy in order to respond to the workers' aspirations.

[Question] Competition will get its chance in the cantonal elections in the next few weeks.

Andre Lajoinie: This election involves half the cantons of France, and there will be communist candidates in all of them. We ask the voters to vote for communist candidates, and we do so on the basis of politics. Communist elected officials show their ability and desire to defend the workers: wherever they hold office, they defend the workers. Communists have played a decisive role in governmental change, and they are now working for its success. Finally, people should vote for communists because they are fighting for socialism French style. These cantonal elections provide a forum to explain the objectives of the 24th congress and to mobilize the electorate toward its goal. Obviously, these elections fall into the framework of the union of parties, because on the second-round elections each party of the left has announced that the candidate of the left leading after the first round would be supported by the second-place candidate. Thus it is an election that involves both competition and union: union on the second round of voting and also in departmental administration.

[Question] There was a lot of talk at the congress about radio and television, the idea being that they have changed hardly at all since 10 May. Their heavy-handed treatment of Poland and certain commentaries on the congress do seem to give this impression. Are things really still so one-sided? It could be noted that communist journalists, albeit in limited numbers, have begun to enter the mass media. In your speech, you, yourself, spoke favorably of the Antenne 2 broadcast on the PCF. Aren't there both resistance and conditions for change?

Andre Lajoinie: I can't deny things might change. There have been some positive developments, such as the entry of communist journalists. True, they are still playing a small part. But we never claimed they should occupy a dominant position.

[Question] Fat chance, as things stand.

Andre Lajoinie: Quite so. I also mentioned the broadcast on the PCF. Some people immediately assailed it as a "propaganda broadcast." Why? The broadcast presented the communists as they are. They are not all like that? O.K., but it still showed what most of them are like, as they were represented at this congress. When people talk about communists, they too often listen to people who no longer are communists. Now, I am not against television's looking at this or that group that has left the party, but then they are not talking about the PCF. After all, any number of splinter groups can be singled out in French politics.

Getting back to the broadcast, I think it shows very simply what honest television can do. By honest I mean that the facts must be given as they are and the commentary be completely gratis. That obviously implies that there must be

several kinds of commentators, otherwise we are stuck with the ideas prevailing in the days of Giscard, where the Duhamel family, among others, was ubiquitous.

We are asking, then, that radio and television just be honest when talking about communists. They ought to tell what communists are really saying and thinking, and they ought to be pluralistic and express all opinions. Other honest broadcasts could be mentioned, but they are unfortunately too rare. Obviously, I am speaking only of the public media. If LE FIGARO hates the PCF, that's its business; we are not asking it to change. When I say public broadcasting, I also include the 2 or 3 private radio stations because they are in the public domain. The news reporting financed by private money ought to be pluralistic and honest, that is all we ask, nothing more.

I might add that this demand does not come from communists alone. We are talking about something that is widely perceived as a great problem in this country. Does it mean that everybody has the same criticism to make of the media? No, if people want things to change, they certainly have different views on what should be changed. That is only natural: our country is pluralistic. This problem can therefore be solved only by pluralism. I believe things can be changed now. Guy Hermier said in his report, "Say what you will." If people do that enough, things may change. Some people already feel that they must take these hopes into consideration, and the minister of Communications himself has admitted that some things need to be changed. We are now caught up in a battle that may have a good outcome.

[Question] A while ago we were talking about how communists use formulas. One formula that has cropped up in their shop talk is "new political practice." You sometimes get the impression from listening to speeches at congresses that the words get in the way of what they mean. Of course things still have to be worked out, but shouldn't more and deeper thought be given to these "new practices" as they relate to the immediate situation?

Andre Lajoinie: The answer to this question is very closely linked to what we were saying about the dualism of a party of struggle and government. The principal change to be made consists in coming out of a long period of opposition, which is for most party members the only situation they have ever been in. We have to change over to a situation where we are in the majority and where we have to promote this majority and the people at the same time. We have to be with the people and keep the struggle going.

I don't say we are the only ones who can do that. We are not the largest party in the majority. But I think communists have an essential part to play in the areas of practical action and the opposition-government dialectic. We have already made progress, although we are aware that it is difficult to follow this "new political practice" especially because there is no recipe; the congress did not provide one. Neither Georges Marchais' report nor the resolution, both of which provide many things, however, constitutes a "handbook of the new political practice." Everybody has to think for himself, and the situations are all different from each other. There are no simple answers to complex questions. The congress certainly did not solve everything, but it did take some steps toward an understanding of this new practice.

[Question] Since we are talking about new practices, there was one at the congress: trying forms of debate in the hall, which interrupted the sometimes stuffy procession of speeches from the podium. It may not be perfect necessarily, but isn't it a new procedure?

Andre Lajoinie: Yes, two debates took place in the hall. I think this might be followed up on in the future. There are things to be learned in this area, too. It is not easy to get 2,000 people involved in a debate. A lot of people want to speak, and you cannot let everybody have the floor. The speeches made from the podium are often well documented and exciting. The two forms should be merged, and we would like the speeches, wherever they are made, to be shorter and more incisive. As for the debate in the hall, very concrete problems must be chosen, and the speakers will have to stick to them. This is done at the section and federal conferences, and it is very instructive. There is no reason why we cannot do the same at the congress, though we will have to deal with more difficult conditions.

[Question] As for the PCF itself, the congress reaffirmed its adherence to democratic centralism, keeping in mind that it may evolve. This time, however, a communist spoke up at the congress who disagreed with some points of the draft resolution. His federal conference still sent him as a delegate. Is this a practice in evolution? Doesn't it involve the risk of recognizing dissident tendencies? Or is it only a matter of allowing various feelings to be expressed?

Andre Lajoinie: The delegate in question expressed his opinion and disagreements, but he also explicitly approved of the party's democratic procedures. There is a big difference between him and those who have not accepted the procedures and who have left the party and its debate. If Henri Fiszbin had wanted to take part in the debate, he could have rightfully done so. And if he had not resigned from the Central Committee, he could have spoken to the congress.

We obviously cannot expect delegations to the congress to be formed on the basis of varying tendencies, but there may be different personal opinions. All the delegates have different opinions anyway: you can see that whenever they speak. The representation of different groups, on the other hand, becomes machine politics; then there are the leaders, the different programs vying for acceptance; it becomes a caricature of democracy. On the contrary, democratic centralism is the broadest, freest kind of discussion, with the most contradictory suggestions being made, and when the majority takes a line of action, it is applied by everyone, and everyone can still try to have his opinion accepted in the party organizations. But there can be no public expression besides the orientation that is adopted. I even think that any political group that wants real cohesion must make up its mind on this point. In the PS, the different political currents were hidden under a bushel, and at the Valence congress there was only one resolution. Letting different wings of the party speak for the party as a whole is the seed of schism within the party and impairs effectiveness.

[Question] The congress follows a debate that had some occasionally sharp and painful conflict. With this in mind, one cannot help being struck by Georges Marchais' appeal in his closing speech to all communists "without exception" to put into practice the work of the congress. Does this appeal express the willingness of the new party leadership really to work with everybody on the basis of the positions taken by the 24th congress?

Andre Lajoinie: Absolutely. This appeal is completely in keeping with the spirit of democratic centralism. A few comrades came out against the resolution, others abstained, and a some made comments. This text has now been adopted by a very large majority. All communists must now work on the basis of that text. I should add that the role of the leadership at all levels is to make that possible, no matter what opinions may have been expressed in the debate, no matter what opinion any individual may have. Everybody has to pull on the same rope, and there can be no question of people being suspicious of anybody else.

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IDENTITIES OF KEY POLITICAL APPOINTEES IN PUBLIC SECTOR

Rome L'ESPRESSO in Italian 25 Apr 82 pp 37-52

[Article by Tullio Fazzolari: "Nomenklatura Italiana"]

[Text] This country is in the hands of half a million people whom their political parties have slipped into key administrative slots in government. Who are they? What do they control? Read on.

ROME -- A considerable portion of our lives depend on them. When we get sick, or when we retire. Or when we apply for a loan at the bank. Even when we want to get a telephone installed at home. Or, even more simply, whenever we have to take a bus. Every moment of the day, we are in the hands of those who run the services and agencies that are vital to every citizen: from the welfare agencies to local health care delivery services, from the lending institutions to the state-participation corporations to town and city government agencies.

Who runs all this? About half a million people, at the summit of a colossal apparatus made up of more than 40,000 government agencies of all kinds. By now they have become the real ruling class in our country, comparable in some ways to the Soviet "Who's Who" list known as the Nomenklatura. Here, as in the USSR, the ruling classes hold most of the key jobs in government. As in the USSR, the people on our Nomenklatura are not chosen directly by citizens, but are picked by the party (or parties) in power. The sole difference is that, while in the Soviet Union the ruling class belongs to a single party, here in Italy the people who run the state-controlled corporations and the government agencies are appointed by several political parties, by the cabinet, by the communes and by the regions. "All of which," notes jurist Federico Mancini, "is undeniably more democratic. But it is not enough to render the system better and more efficient."

The Italian-style Nomenklatura is already a fact of life. From the president's desk at the Industrial Reconstruction Institute (IRI) to the manager of the local milk distribution and collection center, every job is grist for the mill of party wheeling and dealing. The appointments made by the cabinet, the regions, and the communes have almost invariably been the outcome of political negotiations. Not to

put too fine a point on it, it makes little or no difference if the man in the top slot at a savings fund bank is up to handling the job or not. Before any other consideration comes his party affiliation. And this sort of horse-trading is spreading fast. "Twenty years ago," says jurist Sabino Cassese, "there would never have been any political deal to decide who should head the state-owned steel industry. These days, though, there are political negotiations before any padded swivel-chair is filled. And the reason for all this is that, beginning in the Sixties, the political branch of government has taken precedence over the administrative."

Just how long, though, is the Italian Nomenklatura's reach? It runs, for all intents and purposes, to every one of the more or less essential jobs in the civil service which are classed as appointive, and thus left to the discretion of the politicians. In the pages ahead, we show you a map of the appointive turf, sector by sector.

The Health Ward

Party stalwarts watch over our health. There are 11,600 superintendents who head up our 679 local health care units. Not to mention a boodle-bag of around 24 billion lire a year. Local health superintendents are not required to demonstrate competence either in medicine or in corporate management. They are appointed by their regional governments upon nomination by their city or town councils and, as it turns out, they faithfully reflect the results of the latest local elections: one third Christian Democrats (DC), a little less for the Communists (PCI), and the rest spread around among the minor parties. Not all local public health units, however, are equal. Some of them have inherited the management of major hospitals. And this gives the men who head that unit very great power indeed. It is they, in fact, who manage hospital and health care personnel, including an army of doctors, nurses, and orderlies.

The picture changes somewhat from city to city. In Rome, the "health authority" is broken up among 25 local health units. In Turin, though, the whole package is handled by City Hall: there is only one local health care unit, and its 30 superintendents are also communal councilmen, and their chairman, Socialist Aldo Olivieri, is also the councilman responsible for public health. In Milan, too, there is only one local health unit. Its chairman is Michele Colucci, brother to the socialist undersecretary for finance. In the bosom of the family, though, the more powerful is not the one who sits in Montecitorio on the cabinet benches. His brother, Michele, as chairman of the Milan health authority, presides over a budget of 300 billion lire. And when the national health system reform act takes effect, he will also be in charge of all Milan's hospitals and clinics, and of a budget close to a trillion lire per year.

Labor as Boss

Even organized labor has moved into the control room. And not in small numbers, either. Sitting right now on the boards of directors of State-

owned corporations in Italy are some 26,000 representatives of organized labor. That figure is only an approximation, since in many instances the same people sit on several boards. By any count, though, theirs is a presence to be reckoned with, particularly inasmuch as some 300 CGIL, CISL, and UIL members are on the boards of Italy's top 63 Italian public health units. Simple arithmetic would show their strength as 22 percent of the total board membership.

Even more important, though, is the fact that organized labor has a lock on the key posts in the welfare system. Since 1969 the National Social Security System (INPS), the agency set up to take care of us in our old age and mail out our pension checks, has in fact been run by the CGIL, CISL, and UIL. And the people manning it are union people. Taking over from former CGIL Secretary Fernando Montappani and the CISL's Giuseppe Reggio, the current chairman in INPS is Ruggero Ravenna, former national secretary of the UIL, while the former deputy chairman is ex-CGIL executive Claudio Truffi.

Organized labor's presence, however, is not confined to the welfare agencies. It reaches out, for instance, into the administrations of universities and of regional or communal corporations. And another union man, Olinto Torda, has just been posted to head the National Transport Institute.

The Insurance Agencies

The biggest national insurance agency (since the abolition of the National Health Insurance Institute [INAM]) is the National Occupational Accident Insurance Institute (INAIL). This, too, has become a political fiefdom. As things stand, it is vassal to the Social Democrats. The current INAIL chairman, accordingly, is Flavio Orlandi, former PSDI deputy to Parliament and former Party secretary.

Even with all these claims staked out, the vast reaches of welfare agencies are indeed all but endless. They embrace, to cite a few, some 8,000 Institutes for Assistance to the Needy (IPABs). Commonly (and incorrectly) referred to as charitable institutions, the IPABs used to have considerable clout thanks to their ownership of a great many hospitals and clinics. Even today they can draw on enormous real estate assets. So who runs the IPABs? Every one of them has ten or so members on its board. That makes 80,000 people all over Italy, chosen for those jobs -- with no one able to say them nay -- by local governments and by various and sundry associations. Furthermore, and especially in small towns, whoever runs the relief agencies (a more appropriate epithet for the IPABs) is frequently in the most enviable position to win at the polls.

Socialists Man the Switchboards

Only a few months ago, the telephone company (SIP) cut off every phone at PSI offices (including that of PSI Secretary Bettino Craxi), because Party comptrollers were not paying its bills. It took an advance payment on the overdue bills plus half a day to get service restored.

Once the trouble had been set right, the PSI was convinced, once and for all, that telecommunications was the cutting-edge sector for it to stake out. Gianni De Michelis, top socialist at State Participations, was already certain of it. He had even begun fitting some of his reliable stalwarts into the state-owned companies in the sector. One of his close advisers, Gianfranco Mossetto, was vaulted into the vice president's chair at SIP -- though the ultimate aim was much higher: getting him named managing director of the same company, which, over the next few years, will be investing trillions of lire in the Italian telephone system. In De Michelis' reckoning, telephones were first on the list, closely followed by remote data processing. And so he found a slot at Italtel (another State Participations conglomerate) for the man who formerly headed his own staff, Luciano Rufino.

The socialist takeover in state-owned industries is a lot broader than that, though. De Michelis has opened fire on all fronts. And he has managed to secure a number of positions in a system which, until now, had been rigidly controlled by the DC. Those who have benefitted most by the move are those who work closest with him. One of his advisers, Diego Cuzzi, heads Lanerossi. Another, Mario Zigarella, has a highly paid position on the board of directors of the state-owned steel giant, Italsider. For MCS, the aluminum corporation, De Michelis has found a man to his liking: an obscure professor at a technical school for surveyors in the Veneto, who will shortly be MCS' vice president.

The other socialists don't want to be left behind. Craxi's men, for example, are pushing hard to get Baldo De Rossi into the top spot at Italstat, or at least on the board of the Condotte company, the biggest of IRI's construction firms.

DC's State Participations Share

Despite the socialist offensive, most of the Nomenklatura in State Participations is still christian democrat. And it is still a power that can be used to get appointments for party-favored candidates or for its own dignitaries. Giancarlo Elia Valori, one of Amintore Fanfani's henchmen, got to be vice president of SME, IRI's holding company for the food sector. Valori lacks the expertise to get companies like Motta or Alemagna back on their feet. But, as vice president, he has not only a substantial salary, but a chauffeured car, an office and a staff -- in short, everything he needs to go right on devoting his attention to politics, and all at the expense of IRI and SME. In other words, at the taxpayers' expense.

Other DC people are still on their way up in State Participations. One such is Giovanni Gofu in the national hydrocarbons agency, ENI. After a painful experience as manager at Nuovo Pignone (where he distinguished himself primarily for having had himself driven all over the country in a company car), he has resurfaced as president of SIR Financing. Another from the DC upper ranks is Giovanni Pinto, who is now managing director of Italcable, and one of Fanfani's people.

Apart from those new to the scene, the DC has its men in all the key jobs: all the way from IRI president Pietro Sette to Italstat general director Ettore Bernabei, from Michele Principe at the telephone finance company, STET, and Rocco Basilico at Fincantieri. It is a governing class that has had 20 years to stamp the DC's crossed-shield brand on State Participations, and which keeps things that way by appointing its own to the upper reaches of management.

Agency by Agency

State Participations are not the only corporate territory where the Nomenklatura thrives. Industry, Agriculture, and other ministries are also empowered to appoint presidents and boards of directors. And, once again, every board and executive chair comes up for negotiation among the parties. The result: ENEL, the national electric power company, is a kind of mini-parliament, on whose board all parties are represented -- from PCI to PLI. Politics, however, also governs the choice of the auditors who are supposed to keep an eye on whatever the board does.

Another risk is that the parties may fail to agree on an appointment. When that happens, a company may well find itself with nobody in the boss's chair. ENEL has gone for years with a board of directors whose term had expired. ENCC, the national cellulose and paper corporation, is in that very predicament right now. The reason: a power-struggle between those Christian Democrats who want to reappoint the sitting president, Dino De Poli, and those who want to replace him with somebody else.

Local Government

If the buses don't run on time, if the water supply is cut off or the trash isn't picked up, the fault lies with the commune, which has no picked men of its own to run these services. Mayors and aldermen, too, have their own Nomenklatura. Most of the names on it are there for political reasons. In Italy's larger cities, there are some 400 municipally owned companies that manage 600 public services. What with presidents and members of the board, these companies have over 2,000 managers. A little over 600 (28 percent) of them are Christian Democrats. Another 500 (24 percent) are communists. Almost 450 (better than 20 percent) are socialists, while 220 (10 percent) are social democrats, republicans can count 130 (6 percent), and the liberals number 40 (less than 2 percent). In other words, the high-backed chairs in the municipally owned companies are not even assigned in proportion to the election returns. PCI and DC in fact hold fewer than their electoral percentages would reflect. On the other hand, the PSI, PRI, and PSDI have representation quite out of proportion to their showing at the polls, and hold a lot more top jobs than expected. Part of the answer is often that the minority parties, which are crucial to forming a coalition, are offered the milkshed general manager's job as an incentive to join a junta.

In this way, some public services wind up as jealously guarded political fiefs. In Naples, for instance, the municipally owned water company

belongs, by time-honored custom, to the social democrats. In the smaller towns, though, there are no utilities and service companies, and hence no cushy jobs to share. The services are handled by more than 2,000 "business managements" under the direct control of an alderman. The Nomenklatura, however, springs up even here. The alderman in practice is appointed by other city councilmen to run the street-cleaning and trash pickup service, or the transit system etc.

Nor are the communes the sole centers of local power. "Even the provinces," says UIL national secretary Enzo Mattina, "have managed to carve out a little turf for themselves, some of them by subcontracting to perform regional government functions." In Naples Province, for example, the Campania Region appropriates 20 billion lire to provide subsistence aid to ex-convicts. Then, what with vocational training programs and tourist agencies, even the provinces have their Nomenklatura, with presidential appointments and jobs to divide up.

The regions, though, are the local agencies with most power to appoint new administrative bosses. And the appointments are handled in the usual way, by negotiations among the parties, with blithe unconcern as to the candidate's possession of a minimum of background or aptitude for the job. And so it happens that, in Sicily, the man picked to approve easy-term financing to industry, as president of IRFIS, is Nino Muccioli, a Christian Democrat, known primarily as a passionate lover of poetry. And his colleague Nicola Piazza owes his career as president of the Sicilian agency for industrial promotion (ESPI) to the fact that he is one of the inner circle around Calogero Mannino, who is Minister for the Merchant Marine.

Credit Is Politics

From the great national banks down to the littlest savings banks, only a very few appointments escape the parties' nets. Of 111 appointments to posts as president or vice president recently, the DC made 58, the socialists 27, the social democrats 9, the republicans 8, the liberals 2, and the communists barely one. Independents, who until a little while ago numbered 36, have dwindled to six.

On the lending agency front, the DC does not seem disposed to yield so much as a handbreadth of its turf. To hang onto those jobs, Treasury Minister Nino Andreatta, whose prerogative it is to make appointments, has dragooned a number of experts with close party ties. One is economist Giancarlo Mazzocchi, now presiding over the Piacenza Savings Fund. On the whole, though, the DC image in the credit system has not changed. And as for the outside experts, predominant among them are people like Emanuela Savoia in Turin or Angelo Bonfiglio, former president of the regional assembly, in Palermo.

Even this does not show the boundaries of the Italian Nomenklatura map. It reaches out into other agencies such as the independent port authorities, the chambers of commerce, and so on. All key positions in public administration, like these, are filled by people appointed via political channels. "The fact is," says communist MP Armando Sarti, who presides over the Italian federation of public services of local

governments (CISPEL), "has grown enormously and without any effective controls. Even local governments argue only over programs, paying no attention to their companies' bottom lines. What we really need instead is for those in authority on the public's behalf to start behaving more and more like proper businessmen, and answering for their performance not only to the politicians who appoint them, but also to every citizen: after all, the citizens are, in a way, their stockholders."

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SPIRIT OF MFA EVOKED AS TRANSITION PERIOD ENDS

Lisbon O JORNAL in Portuguese 30 Apr 82 pp 7, 8

/ [Speech by MFA leader Vasco Lourenco on 24 April; place not given]

[Text] We are again gathered together to commemorate the anniversary of 25 April 1974. These 8 years now ending will remain a pledge of what we have essentially accomplished. History will be impartial in its judgment. We are certain that it will set this day aside as a fundamental milestone in Portuguese modernism--this marvelous day which marked the end of that odious regime of oppression which had Portugal manacled for 48 years. We are certain that 25 April will endure as a symbol of responsible and courageous youth, worthy armed forces and free people capable of ruling their own destiny. However, we are afraid that an attempt will be made to convert 25 April into a myth which will be invoked to justify the nonsolution of the problems of the Portuguese people.

Let Us Remain Ready

Although 25 April is inevitably a fundamental milestone in the Portuguese history of the 20th century--and even of universal history--and although for us, its principal promoters, and for the Portuguese people, it is a symbol of struggle, liberation and participation, we must not, in any case, let it become just a task carried out by the April military.

The fact that there are 1,500 of us here makes it certain that we continue to be ready to defend the ideals of 25 April.

25 April is a symbol.

25 April is a banner.

25 April is not just a memory.

As the Armed Forces Movement [MFA], we had the enthusiastic support of the Portuguese people for the essential objectives which were contained in our program.

We brought about decolonization. And this within the difficult conditions we inherited from the ousted regime. With the inevitable consequences accompanying the blindness of fascism. With the dignity, courage and capability we amply displayed under difficult conditions and which we can never forget.

We can now be proud of having contributed to the birth of five new countries which the fascist and colonialist regime had held down for many years.

We achieved democratization. First, by breaking the dikes which were preventing the people from speaking out; then, by participating in the popular movement; and finally, by performing the fundamental tasks which gave support to the gradual democratization of the regime.

The period of constitutional transition--and our specific participation in sovereignty--was normal and resulted from the revolutionary process, having taken off, moreover, from representative political forces amenable to entreaty in this regard.

It is certain that our program was more extensive; but it is also true that it was the definite conditions of post-25 April Portuguese reality which defined the parameters in which we had to operate.

The objective programed by the MFA for "development" was a theoretical proposal which it was up to the appropriate organizations of sovereignty--made legitimate through the democratic process--to assume and carry out. Therefore, we must delve into an analysis of the action of democratization and determine if the MFA has laid serious and consistent foundations capable of imposing and defending the democratic regime.

We must know if the exercise of power by the various political forces involved has created conditions such that democracy will be irreversible.

The end of the transition period is approaching. When the final moment arrives, MFA's participation in the exercise of sovereignty in collaboration with the people will cease. The Council of the Revolution will be extinct, and the people will be the only ones who retain sovereignty through their representatives in constitutional and democratic organizations, to be determined in the proposed constitutional revision.

The institutional system will have to guarantee continuity in a balanced organizational relationship, the resolver of conflicts and promoter of collective participation in satisfying the most profound desires of the Portuguese people. With this development the democratic process will end. MFA's second objective will be completely achieved.

That is our desire and also our hope.

Nonencouraging Prospects

Nevertheless, dear comrades...nevertheless, I believe I am capable of interpreting the historic process in asserting that the democratization of a society is maintainable only when, through the dynamic quality of its institutions, it is able to satisfy the aspirations of the people, making the fundamental rights of the citizens, social justice, well-being and peace a reality. This mission has been and will continue to be the responsibility of the political forces which plan, propose and carry out their projects for the development and progress of society. And we all have to desire, we all have to hope that the

Portuguese people will not end up placing those political forces in the defendant's box for not having been able to find paths leading to the solution of our domestic problems.

Meanwhile, let us admit that the prospects are not at all encouraging, if we analyze the present symptoms, even asking ourselves the legitimate question as to what type of democracy is in store when those who hold executive power--at the same time doing nothing to end general corruption, revealing their lack of competence and losing credibility among the people--are increasing provocations and exploitation of the workers and trying to create conditions for repressive measures, not even hesitating to invent false situations of social disorder. (I would not be surprised if antiradical strategy would see in our conviviality another of its fancied insurrections and would hasten to request the aid of foreign specialists.) Although it is already worrisome that an attempt is being made to show that democracy defends itself by wielding a big stick, the situation will become worse if that desideratum does not hesitate to manipulate the principal organs of the news media in a scandalous manner.

The Military and the Political Forces

It is in this context, dear comrades, that I should like to mention the role of the armed forces as an institution and that of the military as citizens in the future of our society.

The armed forces pulled off the 25 April event through the MFA. Working in cooperation with the Portuguese people organized politically, the armed forces made the democratization process a reality. The armed forces will be assigned basic missions by the democratic political power. The armed forces will be integrated into the state apparatus as one of the elements capable of guaranteeing certain objectives of that state. Therefore, I believe I am capable of interpreting the thinking of the armed forces in placing them as an instrument of the state and not an instrument of the government. Political forces, each one by itself, cannot aspire to use the armed forces for its individual purposes even if, through the democratic process, they come into power. Therefore, it appears to us essential that mechanisms be found which will guarantee the independence and national character of the armed forces in the state apparatus, to be defined through the constitutional revision. If this is not the case, an institutional imbalance will be created which may come to have disastrous reflections in the behavior of the military institution.

It is not up to us to intervene directly in the constitutional revision and subsequent solution as to where the armed forces will be placed in the state apparatus as a whole. Many of us have already spoken up in proclaiming our desire to be dependent on the democratic political power. Meanwhile, there have also been many who, on the side of the forces which now hold executive power, are making themselves heard in an unequivocal manifestation of their intentions to instrumentalize the armed forces to maintain themselves in power. It is inconceivable, even unbelievable, that the prime minister himself, speaking before more than 150 top-echelon army officers, dared support theories which can only be read in that manner. Confusing "civilian political power" with "constitutionally appointed governments," considering the president of the republic--

just because he is a military man--as one of the entities of military power which "intervene in the sphere of activity of the democratically legitimized power," he proceeds to express the opinion that "the representative democratic regime is the worst of all systems, although the least ineffective known up to now." Can it be that he is subconsciously deceived, or is it just a matter of stupidity? He concludes that "the armed forces cannot fail to be considered an instrument needed by the government to help the government implement its responsibility in carrying out the country's policy," being "an important element in the formation of political will and solutions."

The Danger We Are Experiencing

Incapable of arguing correctly in defense of his ideas--which totally reveal his intentions of clinging to power through instrumentalization of the armed forces--he comes up with no better justification than to say that "the armed forces cannot be independent from the government because the government includes appropriations for the armed forces in the general state budget." He is thus following in the footsteps of his minister of national defense who, some time ago, declared that "the armed forces should have only one boss." He thus reveals his nondemocratic instincts, his desire to make the government the boss of all organizations of sovereignty and of all national institutions, for he is the only one to include appropriations in the general state budget, including those intended for the Assembly of the Republic which approves that budget and the president of the republic who makes it public.

The affirmations I have just cited, as well as many others among which I am pointing out only those of a top political leader of one of the present parliamentary majority parties who stated that it is necessary for changes in the leadership of the armed forces to be made immediately after the revision of the constitution, clearly show the danger facing us and the need to remain vigilant, attentive and active so that the armed forces cannot be used in the internal order and thereby install some totalitarian regime in Portugal, even though disguised.

But the armed forces will be what their members will be, and that is why it is so important to place the armed forces in the state apparatus as the proper position for the military in the society to which it belongs.

It has not been easy up to now to define proper behavior by the military in a democratic society. In fact, it is not laws alone which mold and adapt that behavior. It is especially knowing what life is all about, practice, conscience, judgment of values of democracy which are important. Nevertheless, I believe that, beginning with ourselves (and others not present at this meeting but surely endowed with the same spirit), we can hope for individual behavior appropriate to the democratic principles of Portuguese society of the future.

And since institutions are, after all, made up of persons, the democratic behavior of such a vast number of its members will inevitably be reflected in the attitude of the institution. Therefore, it is possible to define, through ourselves, the fundamental lines of the ethics and moral obligations which will shape the military institution.

Our presence in the armed forces is a guarantee of continuity in the democratic spirit which emerged in the 25 April event. Our presence must be a guarantee of the democratic continuity of Portuguese society. Our presence is the mainstay of party impartiality on the part of the armed forces, of the certainty of carrying out its missions as assigned by the democratic power, of the guarantee of nonintervention by the armed forces in the internal establishment at the service of any nondemocratic project.

Meanwhile, looking within the armed forces, we shall conclude that many things are still not going well. It has already become a custom, in this commemoration, to express regret for our inadequacies and utter a cry of revolt against anything bad in our armed forces. It is already a custom, in this meeting, to assert our disagreement with incorrect procedures our leadership is practicing, promoting or feigning to ignore. We shall not significantly alter those situations through this means. However, we cannot become discouraged and cease struggling to bring about a change in the procedure so that certain unjust and unacceptable situations might eventually end. With regard to the army, which, naturally, I know better and on which I am qualified to speak, much has improved, although we are continuing to resolve enormous problems, particularly in the area of personnel; in this respect, I would point out the lack of career opportunities and the revision of certain situations which resulted from political persecution of the April military. However, it behooves us to be attentive so that we are not subject to discriminatory practices, highly capable of being influenced in personal careers, as verified in other sectors; it is urgent to put an end to the persecution of many April militants, to the unacceptable discrimination resulting from abuses by the government and the nonfulfillment of democratic laws, and to the systematic dismissal of those who are continuing to fight so that the April event may become a reality.

There are voices here and there which we hear distinctly.

Let Them Not Be Deceived

There are those who have not yet understood the essence of the 25 April movement; there are those who are unable to perceive the intrinsic tolerance of the April captains; there are those who feed on revenge, ruminate on vengeance, vow to reverse the essential accomplishment of the MFA. To them we speak clearly: we shall not permit this.

We come to the shameful situation where, at a military court, with two generals as military judges, a former minister of interior of the fascist regime was exonerated on the basis that the one who issued the warrant for his arrest and those who made the arrest had acted criminally, since, according to the argument used, they were clearly of inferior rank to the minister arrested during the resolutory process.

Let us make ourselves clear: if they intend to use bureaucratic and obviously regulatory pretexts to achieve their political and revengeful goals, if they aspire to create certain conditions for judging the 25 April event, we shall not permit this to be done without a tremendous struggle. May those who think that the MFA has ceased and is dissolved not be deceived. The MFA cannot be

dissolved, for it was not, and will not be, a formal organization which can be dissolved. The MFA was, is and will continue to be the political, social and moral attitude of a vast group of military citizens about a fixed idea: to return to the Portuguese people the full exercise of sovereignty and guarantee that it will never again be taken away. The MFA was, is and will continue to be a spirit of action around this idea. The MFA was, is and will continue to be an informal and automatic connection.

I want to emphasize my appeal that you join in our association of the April military. Let us learn how to remain united, cohesive and enlightened.

May our spirit not weaken, may our strength and courage not fail us, and we shall succeed in opposing the instrumentalization of the armed forces and seeing to it that they are at the service of the people of Portugal, conscientious, commanding of respect and independent.

The spirit of 25 April is alive. It will grow and build. That is my conviction! I am certain that this is your conviction!

I embrace all of you, confident of each one's commitment to the common struggle to keep our Portugal truly independent and free.

Long live 25 April!

Long live the Portuguese Armed Forces!

Long live Portugal!

8568

CSO: 3101/38

VPK CHAIRMAN WERNER DISCUSSES ELECTION OUTLOOK, GOALS

Helsinki HUFVUDSTADSBLADET in Swedish 17 Apr 82 p 7

[Report on press conference in Stockholm by Lars Werner, chairman of the Left Party-Communists, by Inger Wikstrom; date not specified]

[Text] Stockholm--The Left will have a scant majority in the Swedish Parliament after the next election, in which the Left Party-Communists [VPK] will get about 6 percent of the vote. That tip comes from VPK chairman Lars Werner, who made his prediction at a meeting with the foreign press corps. But the reporters showed a greater interest in the VPK's standing in the public opinion polls, which is very low at the moment (only 3.5 percent in the latest poll).

Lars Werner said coolly: "One should not let oneself be hypnotized by public opinion figures. This fall's election will turn out about the same for the VPK as the 1979 election did--and that was the best in 30 years--and after that we can start discussing the basis for Social Democratic government policy. We cannot issue any ultimatums, but on the other hand, we cannot support a Social Democratic government that goes on as though nothing had happened since 1976, which is when the nonsocialist bloc took over."

Lars Werner does not expect to be part of the government after this fall's election, but he does not reject out of hand the idea of cooperating with the government. The most important thing, he says, is to discuss the question of what a leftist majority in Sweden will be used for. For example, the VPK wants to use it to reduce unemployment and halt inflation.

Would Not Suffer

And what if the VPK does not get past the magic 4-percent figure and drops out of Parliament?

"Well, I suppose that of all the parties now represented in the Swedish Parliament, we are the party that would suffer the least. Naturally, it is good to be represented and to be able to exert an influence there, and it is also good because of the mass media's fixation on Parliament, but we also feel that the work we do in the workplaces, on the shop floor, and in housing areas is at least equally important, so there would not be much difference--but we are not going to drop out this fall!"

Lars Werner says it resolutely as an optimist--perhaps not the easiest thing to do after a year that has seen the [Soviet] submarine incident, the drama in Poland, and the VPK's internal dissension over the wage earner funds and other matters. Last fall's party congress finally united on a compromise, and on that issue, the most important thing for the party is to emphasize its will to go farther than the Social Democrats and the LO [Swedish Federation of Trade Unions]. Their proposal does not go far enough, but, says Lars Werner, "we have placed ourselves on the side that is fighting for the idea. That can be a way of breaking up ownership and the power structure in Sweden."

Lars Werner sums it up by saying that "in any case, we must get rid of the nonsocialist government, but we do not want the old Social Democratic policy, which involves cooperation with big business."

That is one reason why it would be a good idea to have a regular debate on the wage earner funds before the election.

New Strategy

In other respects, Lars Werner prefers to discuss things rather than argue and raise his voice--for example, he would like to sit down with his West European party brothers and work out a strategy in response to the economic stagnation. During the continuous economic growth of the 1950's and 1960's, it was possible to pursue a policy that was not especially controversial, but there is now a degree of perplexity in the new economic situation that has arisen.

Someone asked: "And what should the Eastern countries do to solve their problems?"

The Swedish communist leader brushed off the question: "You shouldn't ask that of me--I'm the leader of a 4-percent party that is barely holding its head above water"--but he then said that the democratic development taking place within the trade union movement over there must be recognized and accepted. "We warned that things would happen just as they did in Poland."

Lars Werner was asked the obligatory question: whether the VPK--the party of the workers--does not have too many intellectuals as members. He answered that "on the contrary, we have too few. In comparison with Denmark, Norway, and Finland, at any rate, there are very few university graduates in the Left Party-Communists."

Support by Immigrants

The VPK is popular among immigrants. At least people think so, and it is known, for example, that the party's approximately 20,000 members include about 1,000 Finns and that it gets a lot of other immigrant votes.

"The VPK is the party that has had the sense to show the most interest in immigrant issues. We raised the question of voting rights for immigrants in local elections, and now, together with the Social Democrats, we are bringing up the question of voting rights for immigrants in parliamentary elections as

well. We also feel that the dirty jobs should be shared between Swedes and immigrants, and we have, for example, worked actively on behalf of native language teaching."

But so far, immigrants cannot help to vote the VPK into Parliament, so while Lars Werner talks confidently about winning 6 percent of the vote this fall, he says somewhat worriedly--in a reference to the fact that he recently fell off his bicycle and still has bruises and bandages here and there--that perhaps he is not the only one who should use a three-wheeler in the future: perhaps the entire party would feel better using training wheels before the election.

11798

CSO: 3109/153

OBSERVER SEES CONSERVATIVES CAMPAIGNING FOR WIN IN 1985

Stockholm DAGENS NYHETER in Swedish 25 Apr 82 p 6

[Commentary by Sven Svensson]

[Text] It appears that Ulf Adelsohn, leader of the Conservative Party, has already thrown in the towel as far as the 1982 election is concerned and that he is now concentrating on a big election victory in 1985. That strategy is obvious in several of the party leader's recent statements in connection with the question of government and the tax compromise for 1983-1985. The "capitulation" of the Conservatives may very well turn all public opinion figures upside down.

The tax compromise agreed on between the coalition parties and the Social Democrats was possible because two events occurred simultaneously:

First, the Social Democrats needed the support of the nonsocialist coalition parties in order to limit the homeowners interest deduction.

Second, the nonsocialist coalition parties, and very especially the Center Party, needed the support of the Social Democrats, the LO [Swedish Federation of Trade Unions], and the TCO [Central Organization of Salaried Employees] in order to reduce marginal tax rates for the upper income groups.

At the same time, the main reason why the Conservatives defected from the government is equally obvious:

"For a long time, the Conservatives have concentrated on confrontation with the Social Democrats. That confrontation has yielded a good dividend in votes, and the economic belt-tightening policy fit the Conservatives like a glove."

Losing Face

For Gosta Bohman, it was impossible to reach an agreement with his archenemy Olof Palme without losing political face as a result. For safety's sake, Gosta Bohman had made so many statements against a tax compromise even before the "miraculous night" that it was then impossible to remain in the government.

But the important thing to remember is that Bohman's defection from the government was first and foremost Bohman's own doing. Many Conservative members of

the government left the Chancery with sorrow in their hearts, and that was also true of the party as a whole.

There was another important factor:

The Conservatives were bewitched by the situation in Norway, whose Conservative Party was on the way to obliterating the middle parties. Their aggressiveness was directed very especially against Liberal Party leader Ola Ullsten personally and was related to the fact that the Conservatives wound up outside the government when the first Falldin government collapsed.

Conservatives Must Yield

The tax issue is quickly becoming a millstone around the neck of the Conservatives. It collides with another issue affecting the Conservative Party's credibility: a nonsocialist three-party coalition government at all costs.

The fact is that it will not be possible to form a nonsocialist three-party government after the election unless the Conservatives yield completely on the tax issue.

That condition is no longer giving Conservative Party leaders any peace. Concerning the tax issue and the three-party government, Ulf Adelsohn says:

"We are waiting for the election results. Respect for the Swedish people in free, general, and secret elections means that we must wait for the outcome."

And his predecessor Gosta Bohman says something similar.

In Bohman's opinion, a nonsocialist three-party government will be especially timely if the Conservatives win more votes than the two middle parties combined. In such a situation, the election results will influence even the tax issue.

And deputy party leader Lars Tobisson states it even more clearly:

The Conservatives will not join a nonsocialist government if the current tax compromise is to remain in effect.

Social Democratic Victory a Good Thing

It was never that way before. On the contrary, it has always been taken as a matter of course that a nonsocialist three-party government would be formed if there were a nonsocialist majority in Parliament--preferably with a Conservative prime minister.

The political conclusion is inescapable: the Conservatives have little enthusiasm for the 1982 election campaign. They feel that it would be just as well for the Social Democrats to win the election and form a government and for both of the other two nonsocialist parties to take their punishment for the tax compromise reached with the Social Democrats. The Conservatives, having stood on the sidelines, can wash their hands of it.

The Conservatives are therefore conducting their 1982 election campaign with a view to taking over in 1985. Several party strategists admit this quite openly. And party leader Ulf Adelsohn, during an appearance in London, even predicted a Social Democratic election victory.

Giant Election Victory

According to Conservative reasoning, a Social Democratic government would lead Sweden to the economic abyss. Meanwhile, the Conservatives would have the opportunity to build an image by opposing Social Democratic tax increases and the economic policy.

After that, the Conservatives would have a giant election victory in 1985 in the bag. Their victory would more or less obliterate both of the nonsocialist coalition parties, and the Conservatives would rule the roost, as their counterparts do in Norway.

But the current voter barometer from the IMU [Institute for Market Research] shows that nonsocialist voters are not behaving according to the Conservative plan.

The Conservatives have lost voter support for the second time in a row, while the trend for the Liberal Party is moving upward. The decline for the Conservatives must also be seen as significant because SIFO [Swedish Institute for Public Opinion Polls] is showing a similar shift in voter opinion. The Center Party is remaining stable at 11 or 12 percent, according to the IMU.

The results shown by the voter barometers are a deathblow to the entire Conservative election strategy of lying low in the 1982 campaign and concentrating on a big victory in the 1985 election.

Its election strategy is benefiting the Social Democrats first and foremost, and that could be dangerous enough for Adelsohn's credibility, but in addition, the two government parties are both holding trumps.

Thorbjorn Falldin in particular, but also Ola Ullsten, has a greater chance of winning back voters previously lost to the Conservatives, according to public opinion polls.

But if Ulf Adelsohn loses his position as a leader on the nonsocialist side, the Conservative Party's other political goal--that of winning more votes in comparison with 1979 and becoming bigger than the two coalition parties combined--will also be threatened.

Mobile Voters

If we are to believe the IMU, the Conservatives were ahead of the two government parties by 3 or 4 percent in April. But nonsocialist voters change their minds very easily. Many of them do not decide how they are going to vote until the week of the election. A shift of 2 or 3 percent is almost nothing in the actual spurt to the finish line.

It is therefore as clear as day that the public opinion polls are greatly increasing Conservative nervousness. The tactical election plans no longer seem especially brilliant.

There will no doubt be new statements on the government issue fairly soon by Conservative Party leaders both inside and outside Parliament.

11798

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PAPER SEES SDP CAMPAIGN STRATEGY POSSIBLY AIDING COALITION

Stockholm DAGENS NYHETER in Swedish 26 Apr 82 p 2

[Editorial by Tore Winqvist]

[Text] It is said that the party that can place its favorite subject in the center of the debate also wins the election.

In this year's election campaign, which in fact has already started, it is the nonsocialist parties which want to introduce the waiting period for benefits, but it is the Social Democrats who want to talk about it as much as possible. And it is the Social Democrats who want to introduce wage earner funds, but it is their opponents who consider it most profitable to talk loudly about those funds.

The reason is clear from cold SIFO [Swedish Institute for Public Opinion Polls] figures, if nothing else: the waiting period is disliked by most Social Democrats but also by some nonsocialists, and wage earner funds on the collective LQ [Swedish Federation of Trade Unions]-SDP [Social Democratic Party] model are massively disliked by nonsocialists but also by a large number of "socialistic" voters. Accordingly, the side that wins the election will be the one that induces everyone to discuss the issue on which it feels it has a majority.

The messages on election posters fit in well with that law of vote maximization: the Social Democrats do not say "Sweden must be a country with wage earner funds" but one "with social security," the implication being that the waiting period will destroy that security. The words appear against the background of a large blue and yellow flag. Here we have entered far into the rightwing half of the field, where experience has shown that attachment to the blue-and-yellow [the Swedish flag] is greatest and can therefore arouse positive reactions in unexpected quarters. The score: 1 to 0 in the SDP's favor in the depth-psychology championship competition.

In the face of arguments highly charged with emotion--and some (but by no means all) factual arguments--the coalition parties can respond mainly with boring figures on budget deficits and insurance principles. They could also be more aggressive, however, by pointing out that in the previous election, the Social Democrats badgered the government about how terribly big the budget deficit was ("every third teacher's salary," and so on). Against that background, the

Social Democrats cannot decently pick up points with both that kind of criticism and the chief approach being used now, which calls for generously increasing the deficit. Is the deficit too high or too low? That is the question that should be asked of Olof Palme, who so far seems to be saying that it is both.

The Social Democrats hold an unbeatable trump in their vague but cleverly managed concept of economic solidarity: no cutbacks are to be unfair to wage earners, renters, families with children, pensioners, or others among the "least privileged," and that means about 96 percent of the population. The reality, naturally, is that we must all cut our coats according to what is at best an unstretchable cloth for some time to come. Budget deficits cause higher interest rates, obstruct the capacity to invest and competitiveness in the long run, and create a vicious circle. They must be forced down sooner or later, even by Social Democrats.

Even though the Social Democrats will be talking this May Day mostly about employment and peace (which all parties want), the party will presumably be forced to provide some information about the kind of wage earner funds that only some want (half of Parliament minus one, or considerably less than the Swedish electorate). Theoretically, Palme can choose between answering "Of course, that is what we want" (the score then becomes 1 to 1, with uncertainty as to how the game will proceed) and saying that the issue will not be considered during the 3-year period because, for example, the TCO [Central Organization of Salaried Employees] has been forced to say "no bid" (a compromise between the leadership's yes and the majority of the membership's no). Or because the party does not want to stir up conflict, must solve the problems left behind by the non-socialists, or something similar.

That would fit in with a cautious blue-and-yellow strategy aimed primarily at insuring a stable administration. The party core would become silently moody, but perhaps it would be consoled by being in power. Not even that calculation is entirely safe, however: people might conceivably favor parties that stand or fall on what they believe.

A little of the same instinct may also exist on the nonsocialist side. Ulf Adelsohn, many of whose party members are certainly willing to fight to the last middle party, predicted the other day that there would be a "Finnish"--that is, Social Democratic--victory in the election. Taken by itself, it might be good strategy for the Center and Liberal Parties to declare openly: "Naturally, we hope that our government--the best possible--will be allowed to continue, but we know that the Social Democrats have the best chance of winning, since their promises--except for the funds--sound better."

There is a danger that such a bitterly realistic tone--in place of the usual patent optimism of election campaigns--might turn into a kind of contempt for the voters as a sort of payback for the poorly thought-out contempt for politicians that is thriving among many consumers of election promises. But it could also turn into a will to educate the people that might, just because it stakes power on sober plain talk, have a small chance of making a comeback and of doing so with greater weight.

11798

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PAPER ASKS HOW SDP WOULD FINANCE PROGRAMS BEING PROMISED

Stockholm DAGENS NYHETER in Swedish 2 May 82 p 2

[Editorial by Svante Nycander]

[Text] When have the Social Democrats celebrated 1 May in an election year with a greater chance of victory than this year? Have they ever had as much public support this many months before the election campaign? After 13 years as party leader, Olof Palme stands a good chance of winning an election for the first time. For him, 1982 may be the same turning point that 1958 was for Tage Erlander.

May Day is a day for edification, not debate or action. All the same, one listens for something that might indicate an opening-up: a crack in the certainty of belief and an admission that one's own strength may not be sufficient for everything. But many of the May Day speeches must have been delivered with some degree of inner trembling. The party is facing the same economic dilemma as the nonsocialist parties are, and it is running the risk of repeating, on a larger scale, mistakes made by the nonsocialists after 1976: of immediately starting to fulfill a great number of expensive promises and expectations based on a naive faith in future economic growth.

An improbable dose of good luck will be required if such a policy is to succeed in the 1980's. It is likely that the Social Democrats will soon need to achieve broad agreement with the nonsocialists if they win the election. Otherwise, they will not be able to manage the necessary political about-face successfully.

The Social Democrats are resolved to straighten out government finances, said Gunnar Strang in Vaxjo and Ljungby. He had two proposals: measures against the tax deductions and stepped-up collections of back taxes. Pretty slim! The deduction issue has been settled for the time being by the tax compromise, and it is certain that all the parties want to collect taxes with the greatest possible efficiency.

The other speakers seemed to show little interest in straightening out government finances.

Party secretary Sten Andersson claimed that unmarried pensioners have been losing 2,500 kronor per year because of deteriorating protection against inflation.

The Social Democrats will reinstate the old rules. What is the cost to the treasury of 2,500 kronor per year for each pensioner?

The waiting period for benefits could cost a low-income individual up to 2,400 kronor per year, said Sten Andersson. What would it cost to restore those 2,400 kronor to the low-income individual? What would it cost to increase the government subsidy to the A-Fund and to unemployment benefits under the party's proposal?

Gertrud Sigurdson spoke in Vasteras about the party's big investment program. For 7 billion kronor, of which 2 billion would come from the treasury, between 30,000 and 40,000 people would get jobs.

Anna-Greta Leijon said that the government should allocate almost 2 billion kronor in additional funds to the relief work program and start public works projects with 4 billion kronor.

Sven Aspling reminded his listeners that next year the government will take an additional 3.5 billion kronor in municipal and county money. The Social Democrats do not want to take that local money but simply to freeze it temporarily. That makes it a government debt to the municipalities that will grow by 3 or 4 billion annually and draw big interest.

Six years ago Olof Palme demanded: "A front against one-upmanship and irresponsible promises in politics!" He pointed out that the Conservatives "in a time of severe economic crisis"--his description of the situation in 1976--were calling for a total of 6 billion kronor in increased government spending. He went on to say:

"What would happen if the politicians in general were to say that an extra 6 billion kronor does not make any difference? Obviously, the wage earners would say the same thing. And the farmers. And the pensioners. And families with children. There would be so many demands that in a short time they would totally demolish economic equilibrium."

The government's finances today are immeasurably worse than in 1976. The Social Democrats have not come forward with any method of financing their exaggerated promises. A 2-percent increase in the value-added tax will not go very far, and further tax increases do not appear conceivable before the 1983 wage negotiations. According to the tax compromise, the general payroll tax is being increased by 2 percent. In addition, the Social Democrats want a standard 2-percent annual increase in municipalities that must be financed by taxes.

Sweden has reached its taxable limits. The Social Democrats will perhaps have to learn that through their own experience in government before they humble themselves and rally behind the austerity policy.

11798
CSO: 3109/155

MILLIYET'S COHEN DISCUSSES RESULTS OF EVREN ROMANIA VISIT

Four Agreements

Istanbul MILLIYET in Turkish 9 Apr 82 p 12

[Article by Sami Kohen, writing on his return from Bucharest]

[Text] Head of State Kenan Evren's Romanian visit came to an end yesterday with the signing of four documents which will increase cooperation between the two countries and of the joint communique stating that unity of view had been reached on many topics.

At a morning ceremony held at the Council of State building prior to the departure from Bucharest of Evren and his delegation, the "Economic Cooperation Program" was signed, as well as the "Ro-Ro [Containership] Agreement" on maritime transport, the "Health Protocol" and a protocol on raising the wrecked tanker "Independenta."

Following this ceremony, Evren and his delegation received a military send-off by Romanian leader Ceausescu and other civilian and military dignitaries.

Economic Program

The economic cooperation program consists of 10 articles outlining the cooperation that will take place in various areas in the intermediate and long term. Among the most important of these articles is one dealing with raising trade to \$700 million by 1985 and keeping trade relations balanced.

The program sets new goals in mining, oil and natural gas exploration, expansion of iron-steel facilities, energy, agriculture, communications and transportation and tourism, scientific and cultural cooperation. The program, likewise, envisages development of Turkish-Romanian cooperation in sectors such as engineering and construction in third countries (especially the Middle East).

Containership Agreement

The agreement on transit shipping clarifies how the Constanta-Samsun ferries and Constanta-Trabzon containership schedules will be arranged. Accordingly, ferry trips will begin within 2-3 years, and containership schedules within

6 months. The ferries will be capable of carrying 140 railroad cars or containers and the Ro-Ro's, 112 trucks. These trips will be made once a week. Transport from the Turkish ports will be accomplished by Turkish "tractors," that is, Turkish drivers. Thus an important transit line will be established from Europe to the Middle East via Samsun and Trabzon and new opportunities will be created for Turkish "tractors."

Tanker Wreckage

The protocol signed regarding the Independenta provides for a delegation to come to Turkey in May to make contacts about this. The delegation will discuss the \$18 million paid to raise the wreckage and the compensation to be paid to the families, trying to reach a settlement.

Joint Communiqué

The joint communiqué signed yesterday morning by Evren and Ceausescu deals extensively with bilateral relations and international problems.

--Bilateral relations: The communiqué announces a decision to develop further Turkish-Romanian friendship, cooperation and good neighborly relations and to step up contacts in various areas and at various levels. It was specified in this connection that all measures would be taken to increase and diversify commercial exchange in "a balanced way appropriate to mutual interests." It was also stated that joint efforts would be made in the economic area in the energy, iron-steel and petroleum industry areas.

--World problems: It was stressed that the two sides share similar views on many topics in this area, with broad reference in this connection to European security, detente, disarmament and Middle East problems. The communiqué also mentions Balkan cooperation, saying, "The parties stressed the need for new exertions toward the encouragement and development of bilateral and multilateral cooperation to make the Balkans an area where peace and good neighborliness prevail."

New Phase in Relations

Istanbul MILLIYET in Turkish 9 Apr 82 p 12

[Article by Sami Kohen in the column "Comment": "A New Phase in Turkish-Romanian Relations"]

[Text] In examining Head of State Kenan Evren's Romanian trip, we see that everything we expected was accomplished. We may even add, "And more." In fact, the "Economic Cooperation Program," which was among the documents signed yesterday, was actually quite unexpected. This was a surprise among the concrete results of the Evren-Ceausescu talks.

The "Ro-Ro" (for short) agreement and the health protocol were the expected tangible results. The work in this area had been done prior to Evren's visit.

The "advance teams" from the ministries concerned who had come to Bucharest and their Romanian counterparts had added the finishing touches to the prepared texts and put them in final form.

Work on the joint communique also began last Friday, prior to Evren's arrival, and when the Head of State and the Romanian leader sat down at the table, the 7-page document had already taken final form--except for one or two minor points.

The "Economic Cooperation Program," prepared as a document later, was a product of the Evren-Ceausescu talks. The Romanians wanted to put economic cooperation between the two countries in a broader framework and give it a longer time frame. Doubtless, the Turkish side was happy to put its signature to such a document, as it shares this desire.

After a visit of this kind, there is a tendency among the public to ask, "What were the concrete results."

One must not underrate the agreements which the Romanian visit produced. However, to those who are thinking, "Is this all," the answer is that there has already been a developing cooperation between Turkey and Romania for years and there is thus no need for a "a lot" of new agreements. For example, the Turkish-Romanian Joint Economic Commission has been functioning for a long time. There is a growing economic cooperation between the two countries. Trade volume is steadily increasing. A lot of visits and exchanges of information have been made before in such areas as culture and tourism, the principles for cooperation have been defined and agreements have been signed.

Certainly there can be no question of signing new agreements on the same topics, on top of the existing ones.

The important thing, anyhow, is not to publish or sign agreements, but to implement them.

The long-term economic cooperation program is actually very promising for the future. If it is carried out, great strides will have been taken in Turkish-Romanian cooperation.

Likewise, if the decision on the "balanced" development of trade is implemented, the desires and intentions expressed during the talks will become meaningful. Doubtless, with good will and a rational effort, a more balanced trade table, now so unfavorable to Turkey, is possible.

It is necessary also to consider certain statements in the joint communique as results of the talks, statements which perhaps are not obvious but whose importance cannot be underestimated.

True, there are some who will view them as "governmentese." But two countries with different systems, who are members of different alliances, achieved agreement on fundamental principles as a result of the give and take of a sincere discussion of the great problems of our day, and the importance of that cannot be underestimated. In fact, the communique reveals similar views

on many current problems. At least the points of departure of their thinking on these problems are the same, the concerns felt and desires expressed are the same. As we said in an earlier commentary, this visit of Evren's is a new phase in the "opening to the Balkans" policy of Turkish foreign policy.

In totting up the account of the trip, this has to go in the gains column.

8349

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AIR FORCE MUST ADJUST TO AUSTERITY BUDGET

Brussels LE SOIR in French 10-12 Apr 82 p 2

[Article by Pierre Bary: "Austerity in the Air Force Without Compromising Security"]

[Text] Like the other armed forces, the air force has been compelled to reduce its operational expenditures as a result of the government decision to cut the national defense budget by 2.24 billion francs. It is not the first time that it has been faced with lowering its standard of living. In the recent past it has already had to cut the number of flights due to the increase in the price of fuel.

These first reductions have hit the 15th Transport Wing, of which some services could be considered a luxury. Minus the prestige, it is certainly less costly to go to meetings a short distance away by road rather than to use a "Mystere 20." But all the missions normally carried out by the transport wing can obviously not simply be erased with one stroke of the pen. It will always be necessary to fly planes in order to train paratroopers or to provide certain transport which would otherwise have to be subcontracted. It is also necessary for the personnel assigned to fly four-engined "C 130" planes to spend enough time at the controls of these aircraft to keep their qualification.

Serious cuts have been made in all long distance flights, particularly over the North Atlantic where the air force has endeavored to spread out the trips to the United States relative to the "F 16" program.

It has reached the point where one of the two "Boeing 727's" bought several years ago from SABENA [Belgian National Airlines], is nearly permanently on standby, when both of them are not. At this rate they will not use up their capital in flying time before the year 2000. And this will mean a double benefit in terms of consumption, and prolonged use.

If the 15th Transport Wing can handle an austerity policy, the same cannot be said for the fighter units which must be operational at all times and can remain so only on the condition that they are constantly active. One will recall the cry of alarm uttered by the chief of staff of the Air Force, General Desmet, 2 years ago when he threatened to clear out because, as a result of skyrocketing fuel prices, he was no longer able, within the limits of his budget, to provide his pilots with an adequate amount of flying time. A warning

which was not in vain, because they managed at the very last moment to find an additional package in order to remain within tolerable norms.

As General Desmet recalled recently, it used to be possible to guarantee fighter pilots a minimum of 180 flight hours, which had to be cut back some in 1981. During that year, pilots assigned to offensive missions completed an average of 173.4 flight hours, whereas those assigned to defensive missions only logged 163 flight hours. And this was not yet the end of the sacrifices as it can be expected that for 1982, the average rate will not go beyond 150 flight hours, which is considered to be insufficient. It should only be recalled that other air forces within NATO have estimated that an operational pilot should complete at least 240 flight hours per year in order to be adequately qualified and thus to provide a maximum guarantee in terms of safety. We are far removed from this and it is probable that matters will not improve in the very near future.

The safety factor, which involves not only the pilot but also the people the plane is flying over, also deserves some consideration. One recalls the recent accident at Rochefort, where two "F 16's" collided in mid-air. Considering the performance of this fighter plane, the pilots are required to have an ever greater know-how, which can obviously be acquired only through experience. The "F 16," which has a tighter banking range than its predecessors, circles in a more restricted area, which increases the probability of collisions. In addition, with its purer profile it is more difficult to detect in flight and thus to avoid, as was the case at Rochefort. Hence, there is an even more pressing obligation than ever to reduce the number of fatalities. But it is also known that they will never be completely eliminated, because there will always be a risk factor. A factor which has to be made as limited as possible.

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CSO: 3100/601

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